

**Diamond Williams**

**From:** Michele Parks [michele@RSBattorneys.com]  
**Sent:** Monday, October 31, 2011 4:28 PM  
**To:** Filings@psc.state.fl.us  
**Cc:** Bart Fletcher; Jared Deason; Martha Brown; reilly.steve@leg.state.fl.us; Kirsten Markwell ; Patrick Flynn; jdwilliams@uiwater.com; Martin Friedman  
**Subject:** Docket No.: 110264-WS; Labrador Utilities, Inc.'s Application for Increase in Water and Wastewater Rates in Pasco County, Florida  
**Attachments:** PSC Clerk 03 (Response to 10-27-11 deficiency letter).ltr.pdf

- a. Martin S. Friedman, Esquire  
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- b. Docket No.: 110264-WS; Labrador Utilities, Inc.'s Application for Increase in Water and Wastewater Rates in Pasco County, Florida
- c. Labrador Utilities, Inc.
- d. 1 page letter/3 pages – attachments
- e. Response to Staff's October 27, 2011, Deficiency Letter

**MICHELE PARKS**

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October 31, 2011

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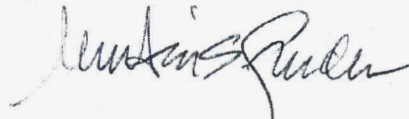
Ann Cole, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Docket No. 110264-WS; Application for increase in water and wastewater rates in  
Pasco County by Labrador Utilities, Inc.  
Our File No.: 30057.199

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is Labrador Utilities, Inc.'s  
Response to Staff's October 27, 2011, correspondence, citing a deficiency in the MFRs  
filed in connection with the above-referenced matter.

Very truly yours,



MARTIN S. FRIEDMAN  
For the Firm

MSF/mp  
Enclosures

cc: Bart Fletcher, Division of Economic Regulation (w/enclosures)  
Jared Deason, Division of Economic Regulation (w/enclosures)  
Martha Brown, Esquire, Office of General Counsel (w/enclosures)  
Stephen C. Reilly, Associate Public Counsel (w/enclosures)  
Kirsten Markwell, Manager of Regulatory Accounting (w/enclosures)  
Patrick C. Flynn, Regional Director (w/enclosures)  
John Williams, Director of Governmental Affairs (w/enclosures)

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Labrador Utilities, Inc.  
Docket No: 110264-WS  
Response to MFR Deficiency Letter

Item 1: Reconciliation of B-9 to Annual Report

The following reconciliation is from the Trial Balance the Annual Report:

Account Number Trial Balance	Description	Amount	Account Number Annual Report	Description	Amount	Page	Column
5735	COMPUTER MAINTENANCE	10,476					
5900	OTHER OFFICE EXPENSES	317					
6305	WATER-PERMITS	6,804					
6340	SEWER-PERMITS	1,700					
5525	BILL STOCK	662					
5530	BILLING COMPUTER SUPPLIES	(0)					
5535	BILLING ENVELOPES	224					
5540	BILLING POSTAGE	4,910					
5545	CUSTOMER SERVICE PRINTING	292					
5740	COMPUTER SUPPLIES	381					
5860	CLEANING SUPPLIES	316					
5870	HOLIDAY EVENTS/PICNICS	10					
5875	KITCHEN SUPPLIES	57					
5880	OFFICE SUPPLY STORES	623					
5885	PRINTING/BLEUPRINTS	41					
5890	PUBL.SUBSCRIPTIONS/TAPES	238					
6285	WATER-MAINT SUPPLIES	1,087					
6320	SEWER-MAINT SUPPLIES	6,281					
6020	ENGINEERING FEES	11,937					
6010	AUDIT FEES	1,921					
6040	TAX RETURN REVIEW	441					
6025	LEGAL FEES	1,022					
6365	EQUIPMENT RENTALS	2					
5750	INTERNET SUPPLIER	45					
5790	BANK SERVICE CHARGE	465					
5800	LETTER OF CREDIT FEE	2					
5805	LICENSE FEES	13					
5810	MEMBERSHIPS	195					
5815	PENALTIES/FINES	6					
5825	OTHER MISC EXPENSE	292					
5865	COPY MACHINE	17					
5895	SHIPPING CHARGES	271					
5930	OFFICE ELECTRIC	127					
5935	OFFICE GAS	29					
5940	OFFICE WATER	5					
5950	OFFICE GARBAGE REMOVAL	432					
5955	OFFICE LANDSCAPE / MOW / PLOW	575					
5960	OFFICE ALARM SYS PHONE EXP	974					
5965	OFFICE MAINTENANCE	654					
5970	OFFICE CLEANING SERVICE	542					
5975	OFFICE MACHINE/HEAT&COOL	80					
5980	OTHER OFFICE UTILITIES	1					
6185	TRAVEL LODGING	751					
6190	TRAVEL AIRFARE	290					
6195	TRAVEL TRANSPORTATION	142					
6200	TRAVEL MEALS	587					
6205	TRAVEL ENTERTAINMENT	42					
6207	TRAVEL OTHER	59					
6290	WATER-MAINT REPAIRS	8					
6300	WATER-ELEC EQUIPT REPAIR	724					
6310	WATER-OTHER MAINT EXP	1,594					
6325	SEWER-MAINT REPAIRS	1,327					
6335	SEWER-ELEC EQUIPT REPAIR	-					
6345	SEWER-OTHER MAINT EXP	8,112					
6355	DEFERRED MAINT EXPENSE	11,234					
6360	COMMUNICATION EXPENSE	2,876					
6385	UNIFORMS	111	620	Materials and Supplies	12,666	S-10(a)	(c)
6390	WEATHER/HURRICANE COSTS	163	720	Materials and Supplies	24,816	W-10(a)	(c)
5495	METER READING	8,809	631	Contractual Services-Engineering	6,020	W-10(a)	(c)
5855	ANSWERING SERVICE	248	731	Contractual Services-Engineering	5,917	S-10(a)	(c)
5945	OFFICE TELECOM	7,600	632	Contractual Services - Accounting	1,191	W-10(a)	(c)
5985	TELEMETERING PHONE EXPENSE	9	732	Contractual Services - Accounting	1,170	S-10(a)	(c)
6015	EMPLOY FINDER FEES	446	633	Contractual Services - Legal	515	W-10(a)	(c)
6035	PAYROLL SERVICES	528	733	Contractual Services - Legal	507	S-10(a)	(c)
6045	TEMP EMPLOY - CLERICAL	1,215	642	Rental of Equipment	1	W-10(a)	(c)
6050	OTHER OUTSIDE SERVICES	3,737	742	Rental of Equipment	1	S-10(a)	(c)
6255	TEST-WATER	329	675	Miscellaneous Expenses	18,091	W-10(a)	(c)
6260	TEST-EQUIP/CHEMICAL	1,633	775	Miscellaneous Expenses	17,873	S-10(a)	(c)
6265	TEST-SAFE WATER DRINKING	787	636	Contractual Services - Other	17,104	W-10(a)	(c)
6270	TEST-SEWER	6,176	736	Contractual Services - Other	8,153	S-10(a)	(c)
		114,024			114,024		

The above accounts highlighted in yellow represent those used to create the B-9 schedule in the MFR's. In total, they add up to \$47,868. Due to the fact that the annual report presents a different grouping of the Company's object accounts for the NARUC accounts, the highlighted amounts above can be reconciled to the annual report as follows:

Account Number Final Balance	Description	Amount	Account Number Annual Report	Description	Amount	Page	Column
6045	TEMP EMPLOY CLERICAL	1,215	620	Materials and Supplies	12,666	S-10(a)	(c)
6035	PA YROLL SERVICES	528	720	Materials and Supplies	24,816	W-10(a)	(c)
6010	AUDIT FEES	1,921	631	Contractual Services-Engineering	6,020	W-10(a)	(c)
5735	COMPUTER MAINTENANCE	10,476	731	Contractual Services-Engineering	5,917	S-10(a)	(c)
6020	ENGINEERING FEES	11,937	632	Contractual Services - Accounting	1,191	W-10(a)	(c)
6040	TAX RETURN REVIEW	441	732	Contractual Services - Accounting	1,170	S-10(a)	(c)
6025	LEGAL FEES	1,022	633	Contractual Services - Legal	515	W-10(a)	(c)
5750	INTERNET SUPPLIER	45	733	Contractual Services - Legal	507	S-10(a)	(c)
5495	METER READING	8,809	642	Rental of Equipment	-	W-10(a)	(c)
6015	EMPLOY FINDER FEES	446	742	Rental of Equipment	-	S-10(a)	(c)
6050	OTHER OUTSIDE SERVICES	3,737	675	Miscellaneous Expenses	18,091	W-10(a)	(c)
6255	TEST-WATER	329	775	Miscellaneous Expenses	17,873	S-10(a)	(c)
6265	TEST-SAFE WATER DRINKING	787	636	Contractual Services - Other	17,104	W-10(a)	(c)
6270	TEST-SEWER	6,176	736	Contractual Services - Other	8,153	S-10(a)	(c)
	<b>TIES TO SCHEDULE B-9</b>	<b>47,868</b>			<b>114,024</b>		

5525	BILL STOCK	662
5530	BILLING COMPUTER SUPPLIES	(0)
5535	BILLING ENVELOPES	224
5540	BILLING POSTAGE	4,910
5740	COMPUTER SUPPLIES	381
5860	CLEANING SUPPLIES	316
5880	OFFICE SUPPLY STORES	623
6285	WATER-MAINT SUPPLIES	1,087
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5790	BANK SERVICE CHARGE	465
5800	LETTER OF CREDIT FEE	2
5805	LICENSE FEES	13
5810	MEMBERSHIPS	195
5815	PENALTIES/FINES	6
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5855	ANSWERING SERVICE	248
5865	COPY MACHINE	17
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5885	PRINTING/BLUEPRINTS	41
5890	PUBL. SUBSCRIPTIONS/TAPES	238
5895	SHIPPING CHARGES	271
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5935	OFFICE GAS	29
5940	OFFICE WATER	5
5945	OFFICE TELECOM	7,600
5950	OFFICE GARBAGE REMOVAL	432
5955	OFFICE LANDSCAPE / MOW / PLOW	575
5960	OFFICE ALARM SYSTEM PHONE EXP	974
5965	OFFICE MAINTENANCE	654
5970	OFFICE CLEANING SERVICE	542
5975	OFFICE MACHINE/HEAT & COOL	80
5980	OTHER OFFICE UTILITIES	1
5985	TELEMETERING PHONE EXPENSE	9
6185	TRAVEL LODGING	751
6190	TRAVEL AIRFARE	290
6195	TRAVEL TRANSPORTATION	142
6200	TRAVEL MEALS	587
6205	TRAVEL ENTERTAINMENT	42
6207	TRAVEL OTHER	59
6260	TEST-EQUIP/CHEMICAL	1,653
6305	WATER-PERMITS	6,804
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6385	UNIFORMS	111
6390	WEATHER/HURRICANE COSTS	163
6320	SEWER-MAINT SUPPLIES	6,281
6325	SEWER MAINT REPAIRS	1,327
6335	SEWER-ELEC EQUIPT REPAIR	-
6345	SEWER-OTHER MAINT EXP	8,112
6340	SEWER-PERMITS	1,700
		<b>66,156</b>

Amt on Reconciliation 114,024

Each of the Company's object accounts is color coded on the left side of the reconciliation, and coordinates to an account with very same color on the right side of the reconciliation. As illustrated above, the Company's object accounts were grouped differently in the annual report, but were included in their appropriate NARUC accounts in total, and the amounts reconcile. Because the B-9 Schedule only requires a complete list of outside services, some of the invoices from vendors providing those services were booked to miscellaneous expenses, but not all of the miscellaneous expense NARUC accounts (those shaded in light purple) were required for the B-9 schedule and were therefore not included.