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MARSHALL WILLIS, DIRECTOR
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Public Service Commission

December 27, 2011

RECEIVED - FPSC
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COMMISSION
CLERK

Mr. Martin S. Friedman
Rose, Sundstrom & Bentley, LLP
766 N. Sun Drive, Suite 4030
Lake Mary, FL 32746

Re: Docket No. 110257-WS - Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

Dear Mr. Friedman:

Staff needs the following information to complete our review of the application filed by Sanlando Utilities Corporation (Utility or Sanlando).

Rate Case Expense

The following items relate to the Utility's requested rate case expense.

1. 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.
2. For each firm or consultant providing services for the applicant in this docket, please provide copies of all invoices for services provided to date.
3. 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.
4. 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.
5. Please provide an itemized list of all other costs estimated to be incurred through the PAA process.

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Rate Base

1. The following items relate to the pro forma plant additions reflected in adjustment (A)(5) and (6) on MFR Schedule A-3.

For the pro forma addition, please provide the following:

- (a) a statement why the 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;
- (e) the projected in-service date for the outstanding plant addition; and
- (f) all documentation (i.e. invoices) for the original cost of any corresponding retirements.

O&M Expenses

1. According to MFR Schedule B-3, the Utility has proposed an increase of \$4,423 and \$3,451 for water and wastewater to Salaries & Wages – Officers. Please provide all of the Utility’s calculations, basis, workpapers, and support documentation for the above adjustment to Salaries & Wages – Officers.
2. According to MFR Schedule B-3, the Utility has proposed a decrease of \$10,107 and \$9,261 for water and wastewater to Employee Pensions and Benefits. Please provide all of the Utility’s calculations, basis, workpapers, and support documentation for the above adjustment to Employee Pensions and Benefits.
3. According to MFR Schedule B-3, the Utility has proposed a decrease of \$8,638 and \$6,740 for water and wastewater to Transportation Expense. Please provide all of the Utility’s calculations, basis, workpapers, and support documentation for the above adjustment to Transportation Expense.
4. According to MFR Schedule B-3, the Utility has proposed an increase of \$72,620 and \$46,664 for water and wastewater to Salaries & Wages. Please provide all of the Utility’s calculations, basis, workpapers, and support documentation for the above pro forma adjustment to Salaries & Wages.
5. According to MFR Schedule B-3, the Utility has proposed a pro forma increase of \$33,000 for wastewater to Wekiva WWTF De-Gritting. Please provide all of the Utility’s calculations, basis, workpapers, and support documentation for the above pro forma adjustment to Salaries & Wages - Officers.
6. According to MFR Schedule B-5, Salaries & Wages – Employees increased substantially in March 2010, November 2010, and December 2010 when compared to other months.

Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Salaries & Wages – Employees.

7. According to MFR Schedule B-5, Employee Pension & Benefits increased substantially in May 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Employee Pension & Benefits.
8. According to MFR Schedule B-5, Purchased Power increased substantially in April 2010, May 2010, June 2010, and November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Purchased Power.
9. According to MFR Schedule B-5, Chemicals increased substantially in January 2010, August 2010, and November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Chemicals.
10. According to MFR Schedule B-5, Materials & Supplies increased substantially in March 2010, April 2010, August 2010, and December 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Materials & Supplies.
11. According to MFR Schedule B-5, Contractual Services – Engineering increased substantially in August 2010 and November 2010, and decreased substantially in December 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increases and decrease in Contractual Services – Engineering.
12. According to MFR Schedule B-5, Contractual Services – Legal increased substantially in April 2010, August 2010, and December 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Contractual Services – Legal.
13. According to MFR Schedule B-5, Contractual Services – Other increased substantially in May 2010, and October 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Contractual Services – Other.
14. According to MFR Schedule B-5, Transportation Expenses increased substantially in August 2010 and November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Transportation Expenses.
15. According to MFR Schedule B-5, Insurance - Other increased substantially in May 2010 and September 2010 when compared to other months. Please provide all of the Utility's

calculations, basis, workpapers, and support documentation for the above increase in Transportation Expenses.

16. According to MFR Schedule B-5, Miscellaneous Expenses increased substantially in February 2010, April 2010, August 2010, and November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Miscellaneous Expenses.
17. According to MFR Schedule B-6, Employee Pensions & Benefits increased substantially in May 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Employee Pensions & Benefits
18. According to MFR Schedule B-6, Sludge Removal Expense increased substantially in February 2010, March 2010, and November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Sludge Removal Expense.
19. According to MFR Schedule B-6, Purchased Power increased substantially in April 2010, and November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Purchased Power.
20. According to MFR Schedule B-6, Chemicals increased substantially in January 2010, April 2010, May 2010, August 2010, and November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Chemicals.
21. According to MFR Schedule B-6, Materials & Supplies increased substantially in January 2010, and August 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increase in Materials & Supplies.
22. According to MFR Schedule B-6, Contractual Services – Engineering increased substantially in August 2010, November 2010, and decreased substantially in December 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increases and decreases in Contractual Services –Engineering.
23. According to MFR Schedule B-6, Contractual Services – Legal increased substantially in February 2010, April 2010, August 2010, October 2010, and December 2010, and decreased substantially in November 2010 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increases and decreases in Contractual Services –Legal.
24. According to MFR Schedule B-6, Miscellaneous Expenses increased substantially in August 2010, and November 2010 when compared to other months. Please provide all of

the Utility's calculations, basis, workpapers, and support documentation for the above increase in Miscellaneous Expenses.

Please submit the above information to the Office of Commission Clerk by January 26, 2012. If you have any questions, please contact Mark Cicchetti by phone at (850) 413-6066 or by e-mail at mark.cicchetti@psc.state.fl.us.

Sincerely,

A handwritten signature in black ink that reads "Bart Fletcher". The signature is written in a cursive style with a large, stylized "B" and "F".

Bart Fletcher
Public Utilities Supervisor

cc: Division of Economic Regulation (Maurey, Cicchetti, Daniel, Rieger, Simpson, Stallcup, Thompson)
Office of the General Counsel (Jaeger)
Office of Commission Clerk (Docket No. 110257-WS)
Office of Public Counsel