

Eric Fryson

From: Dana Rudolf [drudolf@sfflaw.com]
Sent: Wednesday, September 19, 2012 4:54 PM
To: Filings@psc.state.fl.us
Cc: Martin Friedman; SAYLER.ERIK@leg.state.fl.us; Ralph Jaeger
Subject: Docket No. 110200-WU; Application for increase in water rates in Franklin County by Water Management Services, Inc.

Attachments: Cross-Petition for Formal Hearing.pdf

- a) Martin S. Friedman, Esquire
Sundstrom, Friedman & Fumero, LLP
766 North Sun Drive, Suite 4030
Lake Mary, FL 32746
(407) 830-6331
mfriedman@sfflaw.com
- b) Docket No. 110200-WU
Application for increase in water rates in Franklin County by Water Management Services, Inc.
- c) Water Management Services, Inc.
- d) 4 pages
- e) Cross-Petition of Water Management Services, Inc. for a Formal Administrative Hearing

DOCUMENT NUMBER - DATE

06297 SEP 19 12

FPSC-COMMISSION CLERK

9/19/2012

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in
Water Rates in Franklin County by
Water Management Services, Inc.

Docket No. 110200-WU

CROSS-PETITION OF WATER MANAGEMENT SERVICES, INC.
FOR A FORMAL ADMINISTRATIVE HEARING

WATER MANAGEMENT SERVICES, INC. (the *Utility*), by and through its undersigned attorneys and pursuant to Section 120.57, Florida Statutes, and Rules 25-22.029(3) and 28-106.201, Florida Administrative Code, files this Cross-Petition for Formal Administrative Hearing, protesting Order No. PSC-12-0435-PAA-WU (*Order*) of the Florida Public Service Commission (*Commission*) issued August 22, 2012, and states:

Preliminary Matters

1. The name and address of the agency affected and the agency's docket number is:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Docket No. 110153-SU

2. The name of the Utility and its mailing address is:

Water Management Services, Inc.
250 John Knox Road, Suite 4
Tallahassee, FL 32303

3. The names and address of the persons authorized to receive notices and communications in respect to this application are:

Martin S. Friedman, Esquire
Sundstrom, Friedman & Fumero, LLP
766 N. Sun Drive, Suite 4030
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Telephone: (407) 830-6331
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4. The Utility obtained a copy of the Order on August 22, 2012 from the Commission by email.

5. The interests of the Utility are substantially affected by the Order. The specific facts that the Utility contends warrant reversal or modification of the Order are as follows (plus the fall-outs resulting from those facts):

(a) The weighted cost of capital is understated.

(b) Transportation expenses are understated.

(c) The President's salary is understated as the arbitrary adjustment is unsupported.

(d) Working capital allowance is understated.

(e) Miscellaneous Expenses are understated.

(f) Accounting services expenses are understated.

(g) Service availability charges are understated.

(h) The Utility is entitled to additional rate case expense resulting from OPC's Protest.

6. Each of the foregoing matters involve disputed issues of material fact.

7. The Order establishes September 12, 2012 as the date by which petitions must be filed, and pursuant to Rule 25-22.029, Florida Administrative Code, cross-petitions may be filed within 10 days thereafter. This Cross-Petition is timely filed.

9. Sections 367.081, and 367.0813, Florida Statutes, are the specific statutes that the Utility contends requires reversal or modification of the Order.

10. This Cross-Petition is filed for the purpose of seeking the Commission's action with respect to (and all fall-out changes that result from such determinations):

(a) Increasing the weighted cost of capital to 5.96%.

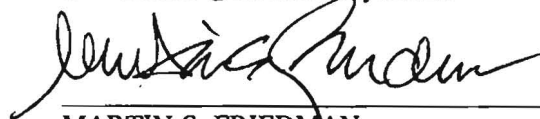
(b) Increasing transportation expenses by \$8,916

- (c) Increasing the salary and benefit for the President by \$19,046.
- (d) Increase the working capital allowance to \$139,388.
- (e) Increasing Miscellaneous Expenses by \$8,754.
- (f) Increasing Accounting Expenses by \$1,548.
- (g) Increasing the total service availability charges to \$10,004.
- (h) Grant additional rate case expense necessitated by OPC's Protest.

WHEREFORE, the Utility hereby cross-protests and objects to Order No. PSC-12-0435-PAA-WU as to the specific issues raised in this Cross-Petition, and cross-petitions the Commission to conduct a formal evidentiary hearing, under the provisions of Section 120.57(1), Florida Statutes, and further requests that such hearing be scheduled at a convenient time within or as close as practical to the Utility's certificated service area.

Respectfully submitted this ^{10th} day of
September, 2012, by:

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MARTIN S. FRIEDMAN
For the Firm

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Cross-Petition of Water Management Services, Inc. has been served upon the following parties by ECF Filing and U.S. Mail this 9 day of September, 2012:

Erik Saylor, Esquire
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400

Ralph Jaeger, Esquire
Martha Barrera, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850



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