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TIMOTHY DEVLIN, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
(850) 413-6900

# Public Service Commission

March 4, 2003

Mr. Jim Elliott, Engineer Consultant  
Source, Inc.  
1334 Lafayette St.  
Cape Coral, FL 33904

Re: Docket No. 030106-SU; Engineering Field Audit of Environmental Protection Systems of Pine Island

Dear Mr. Elliott:

This letter is to confirm my telephone conversation with you regarding my engineering field investigation at Environmental Protection Systems of Pine Island at 10:00 A.M. on Wednesday, April 2, 2003. For the engineering portion of this rate case, staff requires that several items be completed prior to our field audit to ensure fast, expedient treatment of your rate case. Please have the following information for period of January 1, 2002 to December 31, 2002 (test year) ready and available for the investigation on April 2, 2003.

1- Employees Salaries and Wages

List of all the field employees, their duties and responsibilities, certificates held, salary and explanation of how allocated to utility. A short personal interview with the available employees will help expedite the investigation.

2- Purchased Power

All utility related electricity bills from the beginning of the test year to present which include meter number and location, kilowatts used, dollars paid, and electric company's account numbers.

3- Chemicals

A list of all chemicals used in the treatment of water and/or in the treatment of wastewater, amounts purchased, quantity purchased, unit prices paid and dosage rates utilized.

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4- Sludge removal Expenses

Total cost and total of quantity of removal of sludge if such work is performed by persons other than owners, stockholder, and employees of the utility during the test year.

5- Material and Supplies

Total cost along with copy of invoices for purchased parts, materials and supplies used in the operation and maintenance of the water/wastewater system during the test year.

6- Contractual Services - Billing / Reading the Meter

The monthly costs associated with billing customers or reading the meters if such work is not performed by employees of the utility.

7- Contractual Services - Professional

The cost of accounting, legal and engineering if such work is not performed by employees of the utility.

8- Contractual Services - Testing

A list of tests along with costs paid to outside laboratories for testing the water/or sewer treatment during the test year.

9- Contractual Services - Other

The costs of operation and maintenance work not performed by utility employees. These costs include the operator's fee, mowing and ground keeping and contracted repair for water/ wastewater system.

10- Transportation Expenses

The schedule of all vehicles by serial number and description, owned or leased by the utility, original cost or lease documents, who assigned to, and an explanation of how allocated to the utility, or a copy of log book showing miles on personal vehicles associated with utility business. All vehicles are to be available for inspection.

11- Copies of monthly operation reports for sewer and/or water from January 01, 2002 to December 31, 2002 (test year) which includes:

FOR WATER - Total raw pumped, total wash water, total water treated leaving plant, total of each chemical in points, chemical dosage rates (average)

FOR WASTEWATER - Total treated, total wash water, total of each chemical in points, chemical dosage rates (average)

- 12- Copy of monthly totals of meter water sold for each month of the test year.
- 13- A written summary, by permit number, of all Department of Environmental Protection, Water Management District, and/or County Health Department permits.
- 14- If any plant addition has been or will be made due to a written order from a governmental agency, please provide a copy of that order.
- 15- A schedule of additions to the plant, by year, since inception or since the last rate case explaining each item, how it was acquired (CIAC, Investment) and the dollar value for each.
- 16- A summary and description of all plant and system construction since the last rate case. If there is no rate case history, please provide all the cost associated with construction, past and current work in progress, whether interest bearing or not, the date completed and the date booked. Summary to indicate if revenue producing or non revenue producing.
- 17- A list of all service complaints received during test year and an explanation of how each was resolved.
- 18- A listing (engineering plans) of all assets owned by the utility.

EXAMPLE: 200' - 8" PVC (Sewer)  
250' - 6" PVC Pipe (Water)  
50' - 6" Fire Hydrants (Water)

- 19- Number of customers classified as to meter size and class (commercial or residential) for the following points in time:
  - A) A minimum of 4 years prior to the beginning of the test (or calendar last) year.
  - B) The beginning of the last calendar year.
  - C) The end of the last calendar year.
  - D) Present.

Mr. Jim Elliott  
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20- Please provide a copy of the Utility's engineering maps for water and/or wastewater showing location and size of water/wastewater mains throughout the service area.

On the morning of the April 2, 2003, I will inspect the wastewater plant, the distribution system, and the general service area. Please have someone (lead operator, chief maintenance person, or an assigned person with access to the plant) available for this tour. Commission practices dictate that this docket be processed within the statutory time frame, therefore, your full cooperation would be appreciated.

If you have any questions, do not hesitate to call me at (850) 413- 6946.

Sincerely,



Mahnaz Massoudi  
Engineer IV

MM/mm

cc: Division of Economic Regulation (Troy Rendell, Sam Merta)  
Office of the General Counsel (Jennifer Brubaker)  
✓ Division of Commission Clerk and Administrator Services (DKT. No. 030106-SU)

Mr. Kevin J. Cherry, President  
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