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DIVISION OF ECONOMIC REGULATION  
(850) 413-6900

Public Service Commission

May 20, 2008

RECEIVED-FPSC  
MAY 21 AM 8:22  
COMMISSION CLERK

Martin S. Friedman  
Rose, Sundstrom & Bentley, LLP  
2180 West State Road 434  
Sanlando Center, Suite 2118  
Longwood, FL 32779

**Re:** Docket No. 070695-WS - Application for increase in water and wastewater rates in Martin County by Miles Grant Water and Sewer Company

Dear Mr. Friedman:

Staff needs the following information to complete our review of the application.

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

For each addition, provide the following:

- (a) a statement why each 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; and
  - (e) The projected in-service date for each outstanding plant addition.
2. The following item pertains to the utility's water and wastewater treatment systems. Please provide your latest Wastewater Treatment Plant Site Map that shows the wastewater plants, equalization tanks, filter and reclaimed water storage tank and any proposed additions.
  3. The following items relate to the utility's requested rate case expense.

FILED - REGISTRATION NUMBER - DATE

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- (a) 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.
- (b) For each firm or consultant providing services for the applicant in this docket, please provide copies of all invoices for services provided to date.
- (c) 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.
- (d) 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.
- (e) Please provide an itemized list of all other costs estimated to be incurred through the PAA process.

4. The following items are related to Miscellaneous Service Charges. Please complete the following charts.

**Initial Connection and Normal Reconnection**

<u>Component</u>	<u>Normal Hours</u> <u>Hourly Rate</u>	<u>Normal Hours</u> <u>Typical Time</u>	<u>Normal Hours</u> <u>Total Cost</u>	<u>Description</u>
Clerical & Administrative Labor				
Labor to inspect facilities				
Labor to determine complaint resolution				
Transportation costs				
Computer services				
Overhead				
Etc...				
Total Costs				

<u>Component</u>	<u>After Hours</u> <u>Hourly Rate</u>	<u>After Hours</u> <u>Typical Time</u>	<u>After Hours</u> <u>Total Cost</u>	<u>Description</u>
Clerical & Administrative Labor				
Labor to inspect facilities				
Labor to determine complaint resolution				
Transportation costs				
Computer services				
Overhead				
Etc...				
Total Costs				

These costs above should address, in detail the following components:

- (a) Office costs associated with recording and processing a customer request for service, including labor, computer service, and postage.
- (b) Office costs associated with receiving, recording and processing the subsequent customer request for termination of service and final bill, including labor, computer services and postage.
- (c) Field costs associated with the inspection of a facility and connection of service including transportation, labor and meter reading expense.
- (d) Field costs associated with the disconnection of service including transportation, labor, and meter reading expense.
- (e) Overhead costs indirectly related to a specific job including a portion of general office facilities and equipment, supervision, insurance and small miscellaneous expenses required to support service activities.
- (f) In addition, please provide the number of initial connections and reconnections during the preceding 12 months.
- (g) Provide the above information for after hours rates as well.

**Premises Visit**

<u>Component</u>	<u>Normal Hours Hourly Rate</u>	<u>Normal Hours Typical Time</u>	<u>Normal Hours Total Cost</u>	<u>Description</u>
Clerical & Administrative Labor				
Labor to inspect facilities				
Labor to determine complaint resolution				
Transportation costs				
Computer services				
Overhead				
Etc...				
Total Costs				

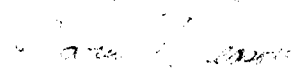
<u>Component</u>	<u>After Hours Hourly Rate</u>	<u>After Hours Typical Time</u>	<u>After Hours Total Cost</u>	<u>Description</u>
Clerical & Administrative Labor				
Labor to inspect facilities				
Labor to determine complaint resolution				
Transportation costs				
Computer services				
Overhead				
Etc...				
Total Costs				

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- (e) It has been Commission practice to calculate a 20% differential in the wastewater gallonage charge between residential and general service customers. A review of the wastewater gallonage charges presented on MFR Schedule E-2, page 2 indicates the gallonage charges have been calculated without a residential/general service differential. Please resubmit MFR Schedule E-2, page 2 to reflect the appropriate gallonage rate for general service and the proposed revenues.

Please submit the above information to the Division of the Commission Clerk and Administrative Services by June 20, 2008. If you have any questions, please contact me by phone at (850) 413-6844 or by e-mail at [jdeason@psc.state.fl.us](mailto:jdeason@psc.state.fl.us).

Sincerely,



Jared Deason  
Regulatory Analyst IV

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Bruce, Reiger)  
Office of the General Counsel (Hartman)  
Office of Commission Clerk  
Office of Public Counsel