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

Public Service Commission

October 23, 2008

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

Re: Docket No. 080250-SU - Application for increase in wastewater rates in Pinellas County by Mid-County Services, Inc.

Dear Mr. Friedman:

We have reviewed Mid-County Services, Inc.'s (Mid-County or Utility) responses to Commission staff's letter of September 19, 2008, identifying deficiencies in the Utility's MFRs. After reviewing the information, we determined that Item No. 2 is still deficient. Rule 25-30.440(8), Florida Administrative Code (F.A.C.), requires that each applicant for a rate increase shall provide the Commission one copy of a list of all field employees, their duties, responsibilities, certificates held, and an explanation of each employees' salary allocation method to the utility's capital or expense accounts. Mid-County's response failed to provide an explanation of each employee's salary allocation method to each respective Utility's capital or expense accounts as required by this Rule.

The revised MFR Schedule B-12 and the document titled *B-12 TO GL TIE OUT* submitted with Mid-County's response did not rectify the deficiency. MFR Schedule B-12, lines 2, 3, and 4, now reflect a total allocation of salaries in the amount of \$274,158; an increase of \$9,324 compared to the original total allocation of \$264,834. The total of MFR Schedule B-6, lines 1 and 2, reflects total salaries for employees and officers of \$259,385. The difference between the allocation and actual expense of salaries equals \$14,773. This amount appears to have been capitalized by the Utility. However, Mid-County's response does not indicate the salary allocation method and amount debited to the Utility's capital accounts for each employee listed. In order to assist in meeting the requirements of Rule 25-30.440(8), F.A.C., please provide all information necessary in the same or similar format as shown on Attachment A. For each employee listed, please indicate the total salary in 2007, the amount in Account 701 or 703, the amount in all plant expense accounts, and the total capitalized amount. In addition, please provide a narrative explanation of how each employee's salary was allocated to each respective Utility's capital or expense accounts.


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If any above corrections require a corresponding change to any MFR schedules, those corrected schedules must also be submitted. Your petition will not be deemed filed until the deficiencies identified in this letter have been corrected. These corrections should be submitted no later than November 24, 2008.

Sincerely,

Handwritten signature of Timothy Devlin in cursive script, followed by a horizontal line.

Timothy Devlin
Director

TD:db

Attachment

cc: Office of Commission Clerk
Office of the General Counsel (Keino)
Division of Economic Regulation (Bulecza-Banks, D. Buys, Daniel, Fletcher, Walden)

Attachment A

Mid-County Services, Inc.		Docket No. 080250-SU				
<u>Line No.</u>	<u>Employee Name</u>	<u>Total Salary</u> <u>2007</u>	<u>Account</u> <u>No. 701</u>	<u>Account</u> <u>No. 703</u>	<u>Plant Acct.</u> <u>No. _____</u>	<u>Plant Acct.</u> <u>No. _____</u>
1	Jason Borntrager					
2	Jeffrey Finehirsh					
3	John Hoy					
4	Mark Windholz					
5	Michael Wilson					
6	Patrick Flynn					
7	Robert Buono					
8	Scotty Haws					
9	Stephen Szczepkowski					
10	Tony Wierzbicki					
11	Total					