Commissioners: Matthew M. Carter II, Chairman Lisa Polak Edgar Katrina J. McMurrian Nancy Argenziano Nathan A. Skop



DIVISION OF REGULATORY COMPLIANCE BETH W. SALAK DIRECTOR (850) 413-6600

Hublic Service Commission

June 19, 2009



Marshall F. Deterding Rose, Sundstrom, & Bentley 2548 Blairstone Pines Dr. Tallahassee, FL 32301

# Re: Docket No. 080695-WU – Application for general rate increase by Peoples Water Service Company of Florida, Inc.

Dear Mr. Deterding:

We have reviewed the minimum filing requirements (MFRs) submitted May 20, 2009, on behalf of Peoples Water Service Company (Peoples). After reviewing this information, staff finds the MFRs to be deficient. The specific deficiencies are identified below.

- 1. Rule 25-30.437(1), F.A.C., requires that each section of the MFRs are to be indexed and tabbed. The entire MFRs were submitted without tabs dividing the groups of schedules, although there were tabs for the appendixes.
- 2. Per Commission rule 25-30.436, F.A.C., all pages within the application must be consecutively numbered. The numbers on the pages in Volume I do not extend to the appendixes.

## Schedule B-1(a), Schedule of Water Net Operating Income

3. The explanation of the schedule says to provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge. There was no explanation given by the utility.

Schedule B-5, Detail of Operation & Maintenance Expenses by Month - Water

4. Test year numbers reflect January 2006 through December 2006. Company is requesting an historical test year ending December 31, 2008.

PSC-COMMISSING CL

30

G

DOCUMENT NO

#### CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850 An Affirmative Action / Equal Opportunity Employer

PSC Website: http://www.floridapsc.com

Internet E-mail: contact@psc.state.fl.us

Mr. Deterding Page 2 June 19, 2009

## Schedule B-7, Operation and Maintenance Expense Comparison - Water

5. The explanation of the schedule says to complete the following comparison of the applicant's current and prior test year O&M expenses before this Commission. Provide an explanation of all differences which are not attributable to the change in customer growth and the CPI-U. If the applicant has not had a previous rate case, use the year 5 years prior to the test year for comparison. Provide an additional schedule, if necessary, to explain differences. No explanation was given for lines 11, 14, 18, and 32.

### Schedule B-13, Net Depreciation Expense - Water - Interim Rates

6. Test year numbers reflect test year ending December 31, 2005. Company is requesting an historical test year ending December 31, 2008.

### Schedule E-2, Revenue Schedule at Test Year Rates - Proof of Revenue

- 7. The number of total gallons sold shown in column (3) of this schedule does not match the number of total gallons sold in the Schedule E-14 billing analysis.
- 8. The total number of gallons presented on Schedule E-2, page 1 for each rate period does not match the gallons shown for each usage block in the Schedule E-14 billing analysis.
- 9. The number of total gallons sold shown in column (3) of this schedule does not match the number of total gallons sold shown on Schedule F-1, column (3).

Further, Rule 25-30.110, F.A.C., requires that each utility shall furnish any information the Commission requests or requires for determining rates of the utility and that the information be consistent with and reconcilable with the utility's annual report.

10. The number of total gallons sold reported on MFR Schedules E-2 and E-2(a) do not match the total number of gallons sold as reported by the utility in its 2008 Annual Report.

It is necessary to correct the deficiencies listed above before more comprehensive analyses of MFR billing data can be made.

## Schedule F-3, Water Treatment Plant Data

11. As required by Schedule F-3, please provide a copy of the governmental agency's ordinance that requires the utility to provide 60,000 gallons per day of fire flow.

Mr. Deterding Page 3 June 19, 2009

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 July 20, 2009.

Sincerely,

3 Salak Beth Salak

Director

BSW:csb

Office of the Commission Clerk W cc: Office of the General Counsel (Sayler) Division of Economic Regulation (Stallcup, Daniel, Redemann, Stallcup, Lingo, Hadder, Piper) Division of Regulatory Compliance (Mailhot, Harvey, Casey, Beard, Mann, Polk, Williams)