

Diamond Williams

100330-WS

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Subject: 100330-WS - Electronic Filing
Attachments: 100330-WS Supplemental Response.pdf

a. Person responsible for this electronic filing:

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b. Docket number and title for electronic filing are: Docket No. 100330-WS - In Re: Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

c. The name of the party on whose behalf the document is filed: Aqua Utilities Florida, Inc. ("AUF")

d. Total number of pages: 3

e. Brief description of filing: Aqua Utilities Florida, Inc.'s Supplemental Response to Citizens' Preliminary Areas of Concern.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for increase in water and)
wastewater rates in Alachua, Brevard, DeSoto,) DOCKET NO. 100330-WS
Highlands, Lake, Lee, Marion, Orange,)
Palm Beach, Pasco, Polk, Putnam,) Dated: April 13, 2011
Seminole, Sumter, Volusia, and Washington)
Counties by Aqua Utilities Florida, Inc.)
_____)

**AQUA UTILITIES FLORIDA, INC.'S SUPPLEMENTAL
RESPONSE TO CITIZENS' PRELIMINARY AREAS OF CONCERN**

Aqua Utilities Florida, Inc. ("AUF") supplements its Response to Citizens' Preliminary Areas of Concern as follows:

BACKGROUND

On March 24, 2011, the Office of Public Counsel ("OPC") filed its Preliminary Areas of Concern, which listed OPC's concerns, and proposed certain adjustments, relating to AUF's rate case. On April 5, 2011, AUF filed a formal response to OPC's Preliminary Areas of Concern wherein it indicated that it would continue to review OPC's proposed adjustments and file supplemental responses if appropriate. Set forth below are AUF's supplemental responses to OPC's proposed adjustments to sludge hauling expenses and legal expenses for general regulatory matters.

SLUDGE HAULING EXPENSES

In Section VI. H. of its Preliminary Areas of Concern, OPC proposed a \$10,919 reduction in sludge hauling expenses to recognize operational efficiencies experienced by AUF's jurisdictional wastewater systems. Upon further review and analysis, AUF agrees with OPC's proposed reduction.

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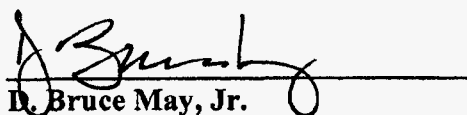
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LEGAL EXPENSES

In Section VI. L. 2. of its Preliminary Areas of Concern, OPC proposed that legal expenses for general regulatory matters be reduced by \$55,795. AUF originally requested that \$87,366 be included as test year legal expenses for general regulatory matters, and believes that it has supplied ample supporting documentation that verifies that those legal expenses are prudent, necessary, and reasonable. However, upon further review and analysis, AUF has determined that \$15,809 in test year legal expense for general regulatory matters was related to legislative issues and systems not included in the rate case. Therefore, AUF agrees that a reduction in the amount of \$15,809 should be made to Contractual Services Legal. As previously indicated, the remaining costs reflect the level of legal expense necessary, on an on-going basis, to adequately address regulatory matters associated with the 87 systems included in this rate case. AUF will supplement its prior responses to OPC's discovery to reflect this agreed-upon adjustment to Contractual Services Legal.

Dated this 13th day of April, 2011.

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CERTIFICATE OF SERVICE


I hereby certify that a true and correct copy of the foregoing was furnished by e-mail this 13th day of April, 2011 to:

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