

120209-WS

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: July 31, 2012
TO: Hong Wang, Chief Deputy Commission Clerk, Office of Commission Clerk
FROM: Pamela Paultre, Executive Secretary to Chairman Brisé
RE: Utilities, Inc. of Florida's General Rate Increase Application

For your review is the enclosed letter requesting approval of a test year on behalf of Utilities, Inc. of Florida. Please open a docket and place the enclosed document within the specified docket.

Thank you.

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 12 JUL 31 PM 3:52
 COMMISSION
 CLERK

SU640 - Pasco
 SU661 - Marion
 WS251 - Seminole
 WU372 - Pasco
 WU413 - Orange
 WU443 - Marion
 WU628 - Pinellas
 - DM

FPSC

DOCUMENT NUMBER - DATE

05131 JUL 31 12

FPSC-COMMISSION CLERK



July 31, 2012

HAND DELIVERY



Chairman Ronald A. Brisé
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Utilities, Inc. of Florida
2011 TY General Rate Increase Application
Our File No. 30057.207

Dear Chairman Brisé:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for Utilities, Inc. of Florida (the "Company"). The Company intends to submit an application for general rate relief to the Florida Public Service Commission for its water and wastewater systems located in Marion, Orange, Pasco, Pinellas and Seminole Counties, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before October 1, 2012.

The Company's last rate proceeding and review of rate base was in Docket No. 09-0462-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0585-PAA-WS, issued September 22, 2010. By Order No. PSC-10-0625-C-WS issued October 20, 2010, the prior Order was consummated.

The Company requests a historic test year ending December 31, 2011. The requested test year is representative of a normal full year of operation. However, there will be pro forma adjustments to expenses to reflect expenses in the year when rates will be in effect.

Since the Company's last rate proceeding, the Company has made significant investments to plant and equipment in both its water and wastewater systems, specifically, replacement of assets and equipment, safety and security improvements, and rehabilitative work to its distribution and collection systems.

The Company proposes to make a major pro forma plant addition, specifically, improvements to its water plant high service pumps and ancillary equipment. The project includes the fabrication and installation of skid-mounted high service pumping equipment, piping, valves and a pump control panel containing variable frequency drive units that are designed to maintain stable system pressure in the absence of a hydropneumatic tank. The

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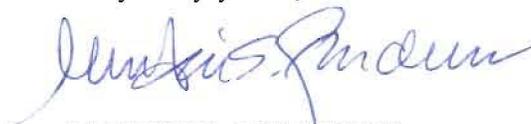
project will also include the construction of bathroom facilities for use by utility employees; there are none at either the WTP or WWTP. The project is designed to improve quality of service by eliminating pump cavitations caused by deficiencies in the existing piping system. The new pumping equipment will also address the wide fluctuations in distribution system pressure that currently occur. The project is estimated to cost \$150,000.

The Company also proposes to make pro forma adjustments to purchased power, lease expense, employee salaries, wages and benefits, outside services, insurance, office costs, transportation, and maintenance. The pro forma adjustments are non growth-related.

Pursuant to Section 367.081(8), Florida Statutes, the Company requests that the Commission process its petition for rate relief using the proposed agency action procedure. The Company will also request interim rates based on the historic test year.

Should you or members of the Staff have any questions regarding this request, please do not hesitate to contact me.

Very truly yours,



MARTIN S. FRIEDMAN
For the Firm

MSF/mp

cc: John Hoy, Chief Regulatory Officer (via email)
Erin Aquilino, Senior Regulatory Accountant (via email)
Patrick C. Flynn, Regional Director (via email)
Andrew Maurey, Division of Economic Regulation (via email)
Bart Fletcher, Division of Economic Regulation (via email)
Deborah Swain (via email)