

Commissioners:
J. TERRY DEASON, CHAIRMAN
E. LEON JACOBS, JR.
LILA A. JABER



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

Public Service Commission

August 4, 2000

Mr. Kenneth A. Hoffman
Rutledge, Ecenia, Purnell, & Hoffman, P.A.
P.O. Box 551
215 S. Monroe St., Suite 420
Tallahassee, FL 32302-0551

Re: Docket No. 000295-WU, Application For Increased Water Rates by Placid Lakes Utilities, Inc. in Highlands County

Dear Mr. Hoffman:

We have reviewed the minimum filing requirements (MFRs) submitted on July 28, 2000, on behalf of the above-mentioned utility. After reviewing this information, we find the minimum filing requirements to be deficient. The specific deficiency is identified below:

1. Expenses from a Parent, Affiliate or Related Party

Rule 25-30.436 (4) (h), Florida Administrative Code (F.A.C.), states that any system that has costs allocated or charged to it from a parent, affiliate or related party, in addition to those costs reported on Schedule B-12 shall file three copies of additional schedules that show the following information:

- APP _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- LEG _____
- OPC _____
- PAI _____
- RGO _____
- SEC _____
- SER _____
- OTH _____

1. The total costs being allocated or charged prior to any allocation or charging as well as the name of the entity from which the costs are being allocated or charged and its relationship to the utility.

3. The allocation of direct charging method used and the bases for using that method.

4. The workpapers used to develop the allocation factor, including but not limited to the numerator and denominator of each allocation factor.

DOCUMENT NUMBER-DATE

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Although the utility provided the basis for the management fee charged to Placid Lakes Utilities, Inc. by Lake Placid Holding Company, it did not show the allocation method between the parent and its subsidiaries. The utility provided the amounts that comprised the management fee cost and provided an explanation for each component of the fee. The rule is specific about the utility needing to provide the allocation method used, not just the amounts.

Your petition will not be deemed filed until we have received the above-mentioned deficiency. This correction should be submitted no later than September 4, 2000.

Sincerely,



Tim Devlin
Director

TD/crb

cc: Division of Economic Regulation (Willis, Merchant, Crouch, Monroe, Binford)
Division of Legal Services (Brubaker, Gervasi)
✓ Division of Records and Reporting (Docket No. 000295-WU)