

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for limited proceeding to implement two-step increase in wastewater rates in Pasco County by Lindrick Service Corporation.

DOCKET NO. 980242-SU
FILED: MAY 22, 2000

STAFF'S FIRST MOTION TO PROCEED WITH DISCOVERY AND COMPEL DISCOVERY AGAINST LINDRICK SERVICE CORPORATION

The Staff of the Florida Public Service Commission, by and through Ralph R. Jaeger, Senior Staff Counsel, notes that pursuant to Order No. PSC-00-0269-PCO-SU discovery was abated through May 31, 2000, and now requests that discovery proceed and Lindrick Service Corporation (Lindrick or utility) be compelled to respond to Staff's discovery requests as set forth below. As grounds for proceeding with discovery, staff notes that abatement was granted only through May 31, 2000, and was based in large part on an agreement for sale of the utility. However, negotiations for the sale have been terminated. For each of Staff's discovery requests, Staff states as follows.

STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

1. On December 14, 1999, Staff served its First Request for Production of Documents on Lindrick consisting of eleven separate document requests.

2. On January 13, Joseph R. Borda responded for Lindrick. In that response, Mr. Borda stated that he had no objections to

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Requests for Production Nos. 1, 3, 4, and 11. However, he did not produce the documents.

3. For Request for Production No. 2, Mr. Borda stated that the Customer Complaint Log for 1998 had previously been provided.

4. For Request for Production No. 5, Mr. Borda stated that the invoices for purchased wastewater treatment by the City of New Port Richey are provided monthly as a part of Lindrick's reporting requirement.

5. For Requests for Production Nos. 6 through 9, Mr. Borda stated, "As part of Limited rate proceeding, utility was audited, therefore, requested information is a matter of public record."

6. For Request for Production No. 10, Mr. Borda states, "Information was previously provided as part of 2nd revised report on rate proceedings and is therefore a matter of public record."

7. For Request for Production No. 2, Staff acknowledges that it has the Customer Complaint Log for 1998. However it does not have the Customer Complaint Log for 1997, and requests that Lindrick be compelled to produce the 1997 log.

8. For Request for Production No. 5, Staff acknowledges that the invoices for purchased wastewater treatment are provided monthly as a part of Lindrick's reporting requirement, and will use those reports.

9. For Request for Production No. 6, Staff acknowledges that it has the invoices for purchased power expenses for 1997, but does not have the invoices for 1998, and requests that Lindrick be compelled to produce the 1998 invoices for purchased power expenses.

10. For Request for Production No. 7, Staff does not have the invoices for the actual chemical expenses incurred for the years 1997 and 1998, and requests that Lindrick be compelled to produce the 1997 and 1998 invoices for actual chemical expenses, as originally requested.

11. For Request for Production No. 8, Staff does not have the invoices for the actual testing expenses incurred for the years 1997 and 1998, and requests that Lindrick be compelled to produce the 1997 and 1998 invoices for actual testing expenses, as originally requested.

12. For Request for Production No. 9, Staff only has the 1996 income tax return, and requests that Lindrick be compelled to produce the 1997 and 1998 income tax returns, including all supporting schedules and work papers, as originally requested.

13. For Request for Production No. 10, Staff only has the three bids for engineering and one bid for accounting, and requests

that Lindrick be compelled to produce any correspondence regarding the bids, as originally requested.

14. For Requests for Production Nos. 1, 3, 4, and 11, Lindrick has not objected, and Staff requests that Lindrick be compelled to produce these documents as originally requested.

15. For all of its First Requests for Production, Staff notes that these requests were originally served on the utility on December 14, 1999, and no protest or response was received until January 13, 2000. Therefore, Staff believes that Lindrick should not now be given the full thirty days in which to respond and requests that Lindrick be compelled to produce such documents, as modified above, on or before June 15, 2000.

STAFF'S FIRST SET OF INTERROGATORIES

16. On December 14, 1999, Staff served its First Set of Interrogatories on Lindrick consisting of ten separate interrogatories.

17. Lindrick has not objected to Interrogatories 1-5, and Staff requests that Lindrick be compelled to respond to each of those interrogatories.

18. For Interrogatory No. 6, Lindrick states that the information was provided as part of the rate proceeding. In that

interrogatory, staff requested the utility to provide by account number the salvage value and cost of removal for each component of the wastewater treatment plant that was being retired.

19. Staff notes that the utility did provide the total original cost for the items and stated that there was no salvage value. However, staff does not have the individual amounts broken down by account number, description, and cost of removal of these items. Therefore, Staff requests that Lindrick be compelled to respond to Interrogatory No. 6 as originally propounded.

20. For Interrogatory No. 7, Lindrick again states that the information was provided as part of the rate proceeding. In that interrogatory, Staff requests the utility to provide a list of the services received for the \$6,277 in Contractual Services Expense - Accounting, that the utility recorded in 1997 by giving the service description, invoice number, amount paid and date paid. Staff does not have the invoices and list of services received for the \$6,277 accounting expenses and requests that Lindrick be compelled to respond to Interrogatory No. 7 as originally propounded.

21. For Interrogatory No. 8, Lindrick states that the information was previously provided as part of numerous audits. In that interrogatory, Staff requested that the utility provide a job

description for all the officers and all the employees of the utility for the years 1997 and 1998.

22. Staff notes that it does have the job descriptions for 1997, but does not have the job descriptions for all the officers and all the employees of the utility for the year 1998. Therefore, Staff requests that Lindrick be compelled to respond to Interrogatory No. 8 in regards to the year 1998.

23. For Interrogatory No. 9, Lindrick states that the information was previously provided as part of numerous audits. In that interrogatory, Staff requested that the utility provide, for the years 1997 and 1998, salaries, wages, any other compensation, and any other benefit earned by each of the utility's officers and each of the employees.

24. Staff notes that it does not have this information for all the officers and all the employees of the utility for the year 1998. Therefore, Staff requests that Lindrick be compelled to respond to Interrogatory No. 9 in regards to the year 1998.

25. For Interrogatory No. 10, Lindrick states that the data requested is a matter of public record as it was reported monthly to the Department of Environmental Protection (DEP). In that interrogatory, Staff requested that the utility provide the monthly

number of gallons of wastewater treated for the years 1997 and 1998.

26. Staff has the data for 1997, but does not have the data for 1998 and should not be required to go through DEP to obtain the data. Therefore, Staff requests that Lindrick be compelled to respond to Interrogatory No. 10 in regards to the year 1998.

27. All of Staff's First Set of Interrogatories were originally served on the utility on December 14, 1999, and no protest or response was received until January 13, 2000. Therefore, Staff believes that Lindrick should not now be given the full thirty days in which to respond and requests that Lindrick be compelled to respond to Staff's First Set of Interrogatories as modified above by no later than June 15, 2000.

SECOND REQUEST FOR PRODUCTION AND SECOND SET OF INTERROGATORIES


28. Staff notes that it served its Second Request for Production of Documents and Second Set of Interrogatories on Lindrick on January 24, 2000.

28. However, on January 26, 2000, based in part on a proposed sale of the utility, Lindrick filed its Motion for Abatement and Continuance of all proceedings in this matter to include discovery. By Order No. PSC-00-0269-PCO-SU, issued February 8, 2000, the Prehearing Officer continued the hearing from June 21-22, 2000 to

October 11-12, 2000 (later changed to October 4-5, 2000), and abated all discovery through May 31, 2000.

29. Because the Motion for Abatement was not filed until two days after this second round of discovery, Staff requests that Lindrick be given only 28 days from the time abatement ends to respond to this discovery and be compelled to produce all documents in this Second Request for Production and to respond to all interrogatories in the Second Set of Interrogatories by no later than June 28, 2000.

WHEREFORE, Staff respectfully requests the Prehearing Officer to order Lindrick Service Corporation to produce all documents and respond to all interrogatories as set forth above, with the discovery from Staff's First Request for Production and Staff's First Set of Interrogatories being due on June 15, 2000, and the discovery from Staff's Second Request for Production and Staff's Second Set of Interrogatories being due on June 28, 2000.



Ralph R. Jaeger, Senior Staff Counsel
Florida Public Service Commission

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for limited proceeding to implement two-step increase in wastewater rates in Pasco County by Lindrick Service Corporation.

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FILED: MAY 22, 2000

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Staff's First Motion to Proceed with Discovery and Compel Discovery Against Lindrick Service Corporation has been furnished by hand delivery to Kenneth Hoffman, Esquire, and by U.S. Mail to Steve Burgess, Esquire, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400 on this 22nd day of May, 2000.



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