URIGINAL

STATE OF FLORIDA

COMMISSIONERS: LILA A. JABER, CHAIRMAN J. TERRY DEASON BRAULIO L. BAEZ MICHAEL A. PALECKI RUDOLPH "RUDY" BRADLEY



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

Hublic Service Commission

March 26, 2002

David B. Erwin, Esq. 127 Riversink Road Crawfordville, FL 32327

Re: Docket No. 011073-WS, Application for Increase in Water and Wastewater Rates in Broward County by Ferncrest Utilities, Inc.

Dear Mr. Erwin:

Staff has reviewed the utility's revised minimum filing requirements (MFRs) submitted on March 21, 2002, on behalf of the above-mentioned utility. Based on our analysis, we believe that the MFRs are still deficient. The specific deficiencies are identified below:

A. RELATED PARTY COST ALLOCATIONS

Rule 25-30.436(4)(h), Florida Administrative Code, states, in part, 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 the additional information described in Rule 25-30.436(4)(h), FAC. Based on the information previously submitted, the utility needs to provide how the allocated amounts of \$1,000 and \$600 originated from \$7,455 and \$3,330 for Luis Pena (Computer Support) and ADP/Oasis (Payroll Processing), respectively. The utility should submit this information in order to provide sufficient detail of its related party costs. If any parts or subparts are not applicable, please provide a statement stating such.

Your petition will not be deemed filed until we have received the required information mentioned above. These corrections should be submitted no later that April 9, 2002.

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Sincerely,

Tim Delvin

Direction

TD:dg

Wivision of the Commission Clerk and Administrative Services

Office of General Counsel (Harris)

Division of Economic Regulation (Willis, Merchant, Fletcher, Greene, Munroe)