

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for increase in water and)
wastewater rates in Alachua, Brevard,)
Highlands, Lake, Lee, Marion, Orange,)
Palm Beach, Pasco, Polk, Putnam,)
Seminole, Sumter, Volusia, and Washington)
Counties by Aqua Utilities Florida, Inc.)
_____)

Docket No. 060368-WS

Filed: July 30, 2007

**AQUA UTILITIES FLORIDA, INC.'S OBJECTIONS
TO OPC'S SEVENTH AND EIGHTH SETS OF INTERROGATORIES
AND SEVENTH AND EIGHTH REQUESTS FOR
PRODUCTION OF DOCUMENTS**

Aqua Utilities Florida, Inc. ("AUF"), by and through its undersigned counsel, and pursuant to Order No. PSC-07-0219-PCO-WS, hereby files its Objections to and Requests for Clarification of OPC's Seventh and Eighth Sets of Interrogatories and Seventh and Eighth Requests for Production of Documents.

I. Preliminary Nature of These Objections

AUF's objections stated herein are preliminary in nature. AUF is furnishing its objections consistent with the time frames set forth in the Commission's Order Establishing Procedure, Order No. PSC-07-0219-PCO-WS, dated March 9, 2007, and Rule 1.190(e), Florida Rules of Civil Procedure. Should additional grounds for objection be discovered as AUF develops its responses, AUF reserves the right to supplement or modify its objections up to the time it serves its responses. Should AUF determine that a protective order is necessary regarding any of the information requested of AUF, AUF reserves the right to file a motion with the Commission seeking such an order at the time its responses are due.

II. General Objections and Reservation of Rights

1. Any response to an Interrogatory or Document Request is made without waiving or intending to waive, but on the contrary intending to preserve and preserving: (a) the right to object, on the grounds of competency, relevancy, materiality, privilege or admissibility as

evidence for any purpose, or any other ground, to the use of the Response or the subject thereof, in this or any subsequent or other proceeding; and (b) the right to object on any ground to other interrogatories, document requests, or other discovery proceedings involving or relating to the subject matter of the interrogatory.

2. AUF will make a reasonable effort to respond to each and every individual Interrogatory and Document Request that is not subject to a Specific Objection as AUF understands and interprets such Interrogatory. If OPC should assert an interpretation of any Interrogatory or Document Request that differs from AUF's, AUF reserves the right to supplement or amend its Specific Objections.

3. AUF objects to each and every one of the Interrogatories and Document Requests that calls for information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, the consulting expert privilege, third-party confidentiality agreements or protective order, or any other applicable privilege or protection afforded by law, whether such privilege or protection appears at the time the response is first made or is later determined to be applicable for any reasons. AUF in no way intends to waive such privilege or protection.

4. In certain circumstances, AUF may determine upon investigation and analysis that information responsive to certain interrogatories or document requests to which objections are not otherwise asserted are confidential and proprietary and should not be produced without provisions in place to protect the confidentiality of the information, if at all. By agreeing to provide such information in response to such request, AUF is not waiving its right to insist upon appropriate protection of confidentiality by means of a protective order or other action to protect the confidential information requested. AUF asserts its right to require such protection of any and all information and documents that may qualify for protection under the Florida Rules of Civil Procedure and other applicable statutes, rules and legal principles.

5. AUF objects to providing information that is proprietary, confidential business information without provisions in place to protect the confidentiality of the information. AUF in no way intends to waive claims of confidentiality.

6. AUF objects to providing information to the extent such information is already in the public record.

7. AUF objects to each Interrogatory and Document Request to the extent it is not limited to any stated period of time or a stated period of time that is longer than is relevant for purposes of the issues in this proceeding.

8. AUF expressly reserves and does not waive any and all objections it may have to the admissibility, authenticity or relevancy of the information provided pursuant to the Interrogatories and Document Requests.

9. AUF also objects to these discovery requests to the extent they call for AUF to prepare information in a particular format or perform calculations, studies or analyses not previously prepared or performed as purporting to expand AUF's objections under applicable law. Further, AUF objects to these interrogatories to the extent they purport to require AUF to conduct an analysis or create information not prepared by AUF in the normal course of business. AUF will comply with its obligations under the applicable rules of procedure.

10. AUF reserves the right to supplement any of its responses to the Interrogatories and Document Requests if AUF cannot locate the answers immediately due to their magnitude and the work required to aggregate them, or if AUF later discovers additional responsive information in the course of this proceeding.

11. By making these General Objections at this time, AUF does not waive or relinquish its right to assert additional general and specific objections to the Interrogatories and Document Requests at the time AUF's response is due.

12. AUF objects to each Interrogatory and Document Request and to any and all "Definitions" and "Instructions" to the extent they exceed the requirements of the Florida Rules

of Civil Procedure or purport to expand AUF's obligations under applicable law or rules of procedure.

III. Specific Objections to and Requests for Clarification of OPC Interrogatories

215. For purposes of this request please refer to the workpaper "A AFUDC, CWC_IT Allocs."
- a. Itemize and describe the assets associated with the 2006 budget of \$1,050,786.
 - b. Itemize and describe the assets associated with the 2007 budget of \$521,763.
 - c. Please explain what the \$200,000 shows as Est in 635492 represents and how it was treated for establishing the proposed rate base in this proceeding.
 - d. Describe the benefits to customers associated with the additional investments proposed for 2006 and 2007.
 - e. For each itemized budgeted amount identified in (a) through (c), please provide the amount actually incurred for the year ending 2006 and as of June 2007. (If June 2007 is not available, please provide as of May 2007.)
 - f. Please explain the purpose of this workpaper and each associated tab.
 - g. Please provide supporting documentation for the 5% administrative fee, in electronic format if available.
 - h. Identify all other assets where a 5% administrative fee was added.
 - i. Please explain the purpose of this administrative fee.
 - j. Please explain how the 5% administrative fee was calculated.

AUF's objection and request for clarification:

AUF objects that this interrogatory is vague and overly broad in its entirety in that it does not identify where AUF can locate the referenced workpaper. AUF has provided a large number of workpapers to Staff and OPC in this docket and cannot readily identify or locate any given workpaper without further information. AUF requests that OPC either provide a copy of the workpaper or clarify its identity by describing the origin of such workpaper and if such workpaper was provided by AUF, the specific discovery request, audit request, or filing with which AUF provided such workpaper.

AUF further objects that subsection (d) is vague and overly broad in that it seeks information regarding "the additional investments proposed" without adequately identifying the specific budgeted items to which it refers. AUF requests clarification regarding the specific budgeted items to which subsection (d) refers.

217. For purposes of this request please refer to the workpaper "A AFUDC, CWC_IT Allocs." Provide the original budget documentation and documents that describe the budgeted amount and the supporting rationale for the need for the additional investments.
- a. Itemize and describe the assets associated with the 2006 budget of \$1,050,786.
 - b. Describe the benefits to ratepayers and cost savings associated with each IT project added in 2006.

- c. For each project added in 2006, please identify the amount of savings to the Company and its customers associated with the IT projects for the years 2006, 2007, and 2008. Identify where these cost savings have been included in the rate filing.
- d. If no cost savings have been reflected in the rate filing, please explain why they have not been reflected.
- e. Itemize and describe the assets associated with the 2007 budget of \$521,763.
- f. Describe the benefits to ratepayers and cost savings associated with each IT project added in 2007.
- g. For each project added in 2007, please identify the amount of savings to the Company and its customers associated with the IT projects for the years 2006, 2007, and 2008. Identify where these cost savings have been included in the rate filing.
- h. If no cost savings have been reflected in the rate filing, please explain why they have not been reflected.

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219. Workpaper A AFUDC, CWC_IT Allocs

- a. Describe the purposes of each tab of this workpaper.
- b. Please explain how each tab of this workpaper is utilized in the MFRs and identify by spreadsheet name, tab, and cell reference where the data is utilized. Describe any supporting workpapers that are used to translate the amounts in this Workpaper A AFUDC, CWC_IT Allocs

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Respectfully submitted this 30th day of July, 2007.

/s/ Marsha E. Rule

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished by email and U.S. mail this 30th day of July, 2007 to the following:

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/s/ Marsha E. Rule

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