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Public Service Commission

December 21, 2007

STAFF'S FIFTH DATA REQUEST

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F. Marshall Deterding
Rose Sundstrom & Bentley, LLP
2540 Blairstone Pines Drive
Tallahassee, FL 32301

Re: Docket No. 060122-WU - In re: Application for limited proceeding increase in water rates in Pasco County by Aloha Utilities, Inc.

Dear Mr. Deterding:

Staff needs the following information to review the installation of chloramination and Pasco County tie-in facilities by Aloha Utilities, Inc. (Aloha or utility).

- 1) In response to a staff audit request, Aloha provided, in part, Invoice Nos. 0697, 0717, and 0725 from David W. Porter, P.E. Please provide the job detail reports associated with these invoices.
- 2) In response to a staff audit request, Aloha provided, in part, Invoice Nos. 12-002-04S, 12-003-04S, and 03-013-05S from Marolf Environmental, Inc. All of these invoices reflect that the services were for Job Nos. 2616 and 2617. Job Nos. 2616 and 2617 relate to the utility's Aloha Gardens water and Seven Springs water systems, respectively. However, in the instant limited proceeding, Aloha has requested that the entire amount of these invoices be recovered for its Seven Springs water system.
 - (a) Because the invoices reflect that the services were for both the Aloha Gardens water and Seven Springs water systems, would it be appropriate to allocate 50% of the invoice amounts to each water system?
 - (b) If the answer to Question 2(a) above is "no", please explain why the utility believes it is appropriate to allocate 100% of these invoices to its Seven Springs water system. In its response, Aloha should include all bases, assumptions, and/or workpapers supporting its 100% allocation to the Seven Springs water system.

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- 3) In response to a staff audit request, Aloha provided, in part, Invoice No. 0452 from Civil Engineering Associates, Inc. This invoice includes a total 18.5 hours for the professional engineer, which includes 9 hours related to “[w]ork on assembling Photos for Aloha Gardens”. However, in the instant limited proceeding, Aloha has requested that the entire amount of this invoice be recovered for its Seven Springs water system.
 - (a) Would it be appropriate to allocate the aforementioned 9 hours to the Aloha Gardens water and/or wastewater system?
 - (b) If the answer to Question 3(a) above is “no”, please explain why the utility believes it is appropriate to allocate 100% of this invoice to its Seven Springs water system. In its response, Aloha should include all bases, assumptions, and/or workpapers supporting its 100% allocation to the Seven Springs water system.
- 4) On Schedule No. 7 of Aloha’s Exhibit B, the utility reflected \$25,832 for fencing under Account No. 304.023. In its response to Question 14(a)(1) to Staff’s Second Data Request, Aloha stated that the old fences were removed to allow for the construction of the expanded chloramine facilities at each plant and were replaced with larger fences to accommodate the expanded facilities. On Schedule No. 10 of the utility’s Exhibit B, Aloha reflected retirements for Account Nos. 304.033 and 320.033. Because the utility recorded the new fences under Account No. 304.023 and there are no retirements reflected in Aloha’s filing for Account No. 304.023, it appears the utility did not include any retirement adjustments for the old fences. Please provide the retirement journal entries for the old fences, including the invoices for the original cost of the old fences.

Please submit the above information to the Office of the Commission Clerk by January 21, 2007. If you have any questions, please contact me by phone at (850) 413-7017 or by e-mail at bart.fletcher@psc.state.fl.us.

Sincerely,



Bart Fletcher
Professional Accountant Specialist

cc: Division of Economic Regulation (Bulecza-Banks, Rendell, Walden)
Office of the General Counsel (Hartman)
Office of Commission Clerk (Docket No. 060122-WU)
Office of Public Counsel