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Public Service Commission

June 30, 2011

Mr. John Q. Adams II, CPA
Adams & Company, P.A.
910 SW 1st Avenue, Suite 201
Bellevue, FL 34420

Re: Docket No. 100048-WU - Application for increase in water rates in Marion County by Sunshine Utilities of Central Florida, Inc.

Dear Mr. Adams:

We have reviewed the minimum filing requirements (MFRs) submitted on June 1, 2011, on behalf of Sunshine Utilities of Central Florida, Inc. (Sunshine or Utility). After reviewing this information, we find the MFRs to be deficient. The specific deficiencies are identified below:

Unified Rate Structure Systems

1. The Utility Plant in Service amount on schedule A-18 for the test year ended 12/31/2010 does not match the Utility Plant in Service amount found on schedule A-4 (combined).
2. The Accumulated Depreciation amount on schedule A-18 for the test year ended 12/31/2010 does not match the Accumulated Depreciation amount found on schedule A-8 (combined).
3. The Non-Used and Useful amount on schedule A-5 is not found on schedule A-1.
4. The Used and Useful percentage calculation on schedule F-7 is not consistent with the Used and Useful percentage on schedules A-5 and A-9.
5. The Consumer Price Index amounts found on schedule B-7 for 5/31/1990 to 12/31/2010 are incorrect. Please update schedule B-7 using correct amounts.
6. On schedule B-7, no explanations were provided for the differences not attributable to the change in customer growth and CPI. Please provide these explanations.

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7. The total balance for Taxes Other Than Income found on schedule B-15 does not match the amount found on schedule B-1.
8. The balance of customer deposits found on schedule D-7 (combined) does not match the customer deposits found on schedule D-2.
9. The maps provided for the Marion County unified rate structure systems do not show the location of the Utility's customers. Please provide maps showing the location of the Utility's customers.
10. The dosage rates for chemicals utilized by the Marion County unified rate structure systems were not provided. Please provide the dosage rates for chemicals.
11. The most recent chemical analysis for the Marion County unified rate structure systems conducted by a certified laboratory was not provided. Please provide the most recent chemical analysis.
12. Please provide the following operating reports:
 - Belleview Oaks - November 2010 report
 - Lakeview Hills - July, August, September, October, November, December 2010 reports; and January 2009 report
 - Emil Marr - July 2010 report
 - Country Walk – April, May, and Jun 2010 reports
 - Oak Hurst - page 2 for the July 2010 report; and the February 2009 report
 - Ocala Heights - page 2 for September 2010 report
 - Eleven Oaks - page 2 for the December 2010 report; and the January 2009 report
 - Ashley Heights - February 2009 report
13. The sanitation surveys for Emil Marr and Lakeview Hills were not provided. Please provide the sanitation surveys.
14. No health department permits, DEP construction permits, or operating permits were provided for the Marion County unified rate structure systems. Please provide these permits.
15. No notices, consent orders, letters of notice, or warning notices were provided for the Marion County unified rate structure systems. Please provide these, if applicable. If there are none, the utility should state there are none.
16. The gallons of water sold on schedule E-2 does not match the Annual Report.
17. The sum of all bills for a residential 5/8" x 3/4" meter (or flat rate, if applicable) presented on schedules E-2, p. 1, do not equal the consolidated number of bills presented on schedules E-2, p. 2 of 2.

18. The number of billing determinants presented on schedules E-2 do not match the number of billing determinants on schedules E-14 because each schedule E-14 was presented in consolidated (combined customer classes, meter sizes and consumption) format, rather than by individual customer class and meter size.
19. The annual bills totals from schedules E-3 do not match the corresponding number of annual bills presented on schedules E-2.
20. A separate schedule E-14 is required for each customer class and meter size. In addition, each page of schedule E-14 that was filed is either missing or has incorrectly calculated information regarding the following: 1) the reversed bills column was left blank; and 2) the consolidated factor column was calculated incorrectly.
21. The gallons sold information on the F-1 schedules do not match the gallons sold figures on the corresponding schedules E-2 and E-14.

Quail Run system

1. Utility Plant in Service amount on schedule A-18 for the test year ended 12/31/2010 does not match the Utility Plant in Service amount found on schedule A-4 (combined).
2. The Accumulated Depreciation amount on schedule A-18 for the test year ended 12/31/2010 does not match the Accumulated Depreciation amount found on schedule A-8 (combined).
3. The Non-Used and Useful amount on schedule A-5 is not consistent with the Non-Used and Useful amount found on schedule A-1.
4. The Consumer Price Index amounts found on schedule B-7 for 12/31/2005 to 12/31/2010 are incorrect. Please update schedule B-7 using correct amounts.
5. On schedule B-7, no explanations were provided for the differences not attributable to the change in customer growth and CPI. Please provide these explanations.
6. The balance of customer deposits found on schedule D-7 (combined) does not match the customer deposits found on schedule D-2.
7. The maps provided for the Quail Run system do not show the location of the Utility's customers. Please provide maps showing the location of the Utility's customers.
8. The dosage rates for chemicals utilized by the Quail Run system were not provided. Please provide the dosage rates for chemicals.
9. The most recent chemical analysis for the Quail Run system conducted by a certified laboratory was not provided. Please provide the most recent chemical analysis.

10. No health department permits, DEP construction permits, or operating permits were provided for the Quail Run system. Please provide these permits.
11. No notices, consent orders, letters of notice, or warning notices were provided for the Quail Run system. Please provide these, if applicable. If there are none, the utility should state there are none.
12. The sum of all bills for a residential 5/8" x 3/4" meter (or flat rate, if applicable) presented on schedules E-2, p. 1, do not equal the consolidated number of bills presented on schedules E-2, p. 2 of 2.
13. The number of billing determinants presented on schedules E-2 do not match the number of billing determinants on schedules E-14 because each schedule E-14 was presented in consolidated (combined customer classes, meter sizes and consumption) format, rather than by individual customer class and meter size.
14. The annual bills totals from schedules E-3 do not match the corresponding number of annual bills presented on schedules E-2.

Sandy Acres system

1. Utility Plant in Service amount on schedule A-18 for the test year ended 12/31/2010 does not match the Utility Plant in Service amount found on schedule A-4 (combined).
2. The Accumulated Depreciation amount on schedule A-18 for the test year ended 12/31/2010 does not match the Accumulated Depreciation amount found on schedule A-8 (combined).
3. The Non-Used and Useful amount on schedule A-5 is not consistent with the Non-Used and Useful amount found on schedule A-1.
4. The total balance for Taxes Other Than Income found on schedule B-15 does not match the amount found on schedule B-1.
5. The Consumer Price Index amounts found on schedule B-7 for 12/31/2005 to 12/31/2010 are incorrect. Please update schedule B-7 using correct amounts.
6. On schedule B-7, no explanations were provided for the differences not attributable to the change in customer growth and CPI. Please provide these explanations.
7. The balance of customer deposits found on schedule D-7 (combined) does not match the customer deposits found on schedule D-2.
8. The dosage rates for chemicals utilized by the Sandy Acres system were not provided. Please provide the dosage rates for chemicals.

9. The most recent chemical analysis for the Sandy Acres system conducted by a certified laboratory was not provided. Please provide the most recent chemical analysis.
10. No health department permits, DEP construction permits, or operating permits were provided for the Sandy Acres system. Please provide these permits.
11. No notices, consent orders, letters of notice, or warning notices were provided for the Sandy Acres system. Please provide these, if applicable. If there are none, the utility should state there are none.
12. The gallons of water sold on schedule E-2 does not match the Annual Report.
13. The sum of all bills for a residential 5/8" x 3/4" meter (or flat rate, if applicable) presented on schedules E-2, p. 1, do not equal the consolidated number of bills presented on schedules E-2, p. 2 of 2.
14. The number of billing determinants presented on schedules E-2 do not match the number of billing determinants on schedules E-14 because each schedule E-14 was presented in consolidated (combined customer classes, meter sizes and consumption) format, rather than by individual customer class and meter size.
15. The annual bills totals from schedules E-3 do not match the corresponding number of annual bills presented on schedules E-2.
16. A separate schedule E-14 is required for each customer class and meter size. In addition, each page of schedule E-14 that was filed is either missing or has incorrectly calculated information regarding the following: 1) the reversed bills column was left blank; and 2) the consolidated factor column was calculated incorrectly.
17. The gallons sold information on the F-1 schedules do not match the gallons sold figures on the corresponding schedules E-2 and E-14.

Ponderosa Pines system

1. Utility Plant in Service amount on schedule A-18 for the test year ended 12/31/2010 does not match the Utility Plant in Service amount found on schedule A-4 (combined).
2. The Accumulated Depreciation amount on schedule A-18 for the test year ended 12/31/2010 does not match the Accumulated Depreciation amount found on schedule A-8 (combined).
3. The Consumer Price Index amounts found on schedule B-7 for 12/31/2005 to 12/31/2010 are incorrect. Please update schedule B-7 using correct amounts.
4. On schedule B-7, no explanations were provided for the differences not attributable to the change in customer growth and CPI. Please provide these explanations.

5. The balance of customer deposits found on schedule D-7 (combined) does not match the customer deposits found on schedule D-2.
6. The maps provided for the Ponderosa Pines system do not show the location of the Utility's customers. Please provide maps showing the location of the Utility's customers
7. The dosage rates for chemicals utilized by the Ponderosa Pines system were not provided. Please provide the dosage rates for chemicals.
8. The most recent chemical analysis for the Ponderosa Pines conducted by a certified laboratory was not provided. Please provide the most recent chemical analysis.
9. No health department permits, DEP construction permits, or operating permits were provided for the Ponderosa Pines system. Please provide these permits.
10. No notices, consent orders, letters of notice, or warning notices were provided for the Ponderosa Pines system. Please provide these, if applicable. If there are none, the utility should state there are none.
11. The sum of all bills for a residential 5/8" x 3/4" meter (or flat rate, if applicable) presented on schedules E-2, p. 1, do not equal the consolidated number of bills presented on schedules E-2, p. 2 of 2.
12. The number of billing determinants presented on schedules E-2 do not match the number of billing determinants on schedules E-14 because each schedule E-14 was presented in consolidated (combined customer classes, meter sizes and consumption) format, rather than by individual customer class and meter size.
13. The annual bills totals from schedules E-3 do not match the corresponding number of annual bills presented on schedules E-2.

If any above corrections require a corresponding change to any MFR schedules, those corrected schedules must also be submitted. Your petition will not be deemed filed until the deficiencies identified in this letter have been corrected. These corrections should be submitted no later than August 1, 2011.

Sincerely,



Marshall Willis
Director

MW:jd

cc: Division of Economic Regulation (Bulecza-Banks, Maurey, Fletcher, Brown, Daniel, Stallcup, Lingo, Thompson)
Office of the General Counsel (Jaeger)
Office of Commission Clerk