

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 100330-WS

Dated: August 29, 2011

**AQUA UTILITIES FLORIDA, INC.'S OBJECTIONS TO OPC'S
SIXTH REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 132-172)**

Aqua Utilities Florida, Inc. ("AUF"), by and through its undersigned counsel and pursuant to Order Establishing Procedure No. PSC-11-0309-PCO-WS ("Procedural Order"), Rule 28-106.206, Florida Administrative Code, and Rule 1.350, Florida Rules of Civil Procedure, hereby serves its advanced objections to the Sixth Request for Production of Documents (Nos. 132-172) to AUF, propounded by the Office of Public Counsel ("OPC") on behalf of Citizens of the State of Florida on August 9, 2011.

GENERAL OBJECTIONS

1. With respect to the "Definitions" and "Instructions" in the Requests, AUF objects to any definitions or instructions that are inconsistent with AUF's discovery obligations under applicable rules. If some question arises as to AUF's discovery obligations, AUF will comply with applicable rules and not with any of OPC's definitions or instructions that are inconsistent with those rules.

2. AUF objects to any definition or request that seeks to obligate persons or entities who are not parties to this action or that are not subject to discovery under applicable rules.

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3. AUF also objects to any request for production of documents (“POD”) that purports to require AUF or its experts to prepare studies, analyses, or to do work for OPC that has not been done for AUF.

4. AUF generally objects to any POD that calls for data or information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law.

5. AUF reserves the right to supplement any of its responses and objections to OPC’s PODs if AUF cannot locate responsive documents immediately due to the magnitude of the PODs, or the work required to aggregate its responses, or if AUF later discovers additional information in the course of this proceeding. By making these general objections at this time, AUF does not waive or relinquish its right to assert additional general and specific objections to OPC’s PODs.

6. AUF objects to any attempt by OPC to evade numerical limitations on the number of PODs for production allowed in this docket by using compound and/or multiple requests and subparts within individually numbered requests.

7. AUF objects to these PODs, individually and generally, to the extent the requested documents and/or information have been previously provided to OPC, or is in the public domain or equally accessible to OPC.

8. By providing the responses herein, AUF does not concede that any POD is relevant to this action or is reasonably calculated to lead to the discovery of admissible evidence. AUF

expressly reserves the right to supplement its responses upon further investigation into the subject matter of any of OPC's PODs.

9. In responding to OPC's PODs, AUF has made a reasonable inquiry of those persons likely to possess information responsive thereto and has conducted a reasonable search of those records in AUF's possession, custody, or control where the requested information would likely be maintained in the ordinary course of business. To the extent that any of OPC's PODs ask AUF to go to greater lengths, including to create electronic documents that do not already exist, AUF objects thereto because such requests are overly broad, unduly burdensome, unreasonable, and outside of the scope of Fla. R. Civ. P. 1.350.

SPECIFIC OBJECTIONS TO REQUESTS

Pursuant to the Procedural Order, AUF's specific advanced objections to OPC's Sixth Request for Production of Documents (Nos. 132-172) are as follows:

133. Quality of Service. For purposes of this request, please refer to page 7 of AUF's Cross-Petition protest of Commission Order No. PSC-11-0256-PAA-WS. Please provide copies of all documents that were relied upon to make the claim that the Commission has never reduced a utility's ROE based on a finding that the utility's quality of service is "marginal."

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving such objections, AUF specifically objects to this POD because it solicits legal research or information protected by the attorney/client privilege and work product doctrine.

134. Legal Expenses. For purposes of this request, please refer to MFR Schedule B-7 and B-8, Contractual Services - Legal. Please provide all documents with any analyses undertaken by the Company that quantify and support the explanation for the change in

recording expenses from 675/775 Miscellaneous Expenses to 633/733 Contractual Services - Legal.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), Florida Administrative Code ("F.A.C."). Under Florida law, issues in the PAA Order that are not identified in the protest petition or a cross-petition shall be "deemed stipulated." *Id.* "Legal Expense" is not a particular issue that has been identified by any protest petition or cross-petition. Thus, "Legal Expense" is a stipulated issue in this proceeding. Furthermore, AUF's responses to OPC's prior discovery, including OPC ROG Nos. 22, 23, 157, 185, OPC Request for Production of Documents ("POD") No. 113, as well as Vol. 1, App. 1 of AUF's MFRs, make clear that such "Legal Expenses" are not allocated to AUF by its affiliates. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

141. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 04_2010, for management fees - corporate expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the favorable variances have been incorporated into the test year.

(b) If the favorable variances have not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a

rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

142. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 04_2010, for management fees - regional expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the unfavorable variances have been incorporated into the test year.

(b) If the unfavorable variances have not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-

22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be “deemed stipulated.” *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

143. Allocations. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 04_2010, for customer operations - ACO direct expenses. Please provide all supporting workpapers and source documents supporting the costs associated with “catch up on maintenance.”

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD seeks information relating to AUF’s “direct expenses.” AUF’s “direct expenses” have not been identified as a protested issue in any protest petition or cross-petition. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission’s PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be “deemed stipulated.” *Id.* Thus, “direct expense” is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings. Without waiving such objections, AUF will respond to the extent such documents exist.

144. Revenues. For purposes of this request, please refer to OPC POD 5, Attachment 12-2009 FL Variance Analysis, for water revenues. Please provide all supporting workpapers and source documents for the variances in consumption for each month included in the test year.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a

rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

145. Revenues. For purposes of this request, please refer to OPC POD 5, Attachment 12-2009 FL Variance Analysis, for wastewater revenues. Please provide all supporting workpapers and source documents for the variances in consumption for each month included in the test year.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

146. Allocations. For purposes of this request, please refer to OPC POD 5, Attachment 12-2009 FL Variance Analysis, for customer operations - ACO direct expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the unfavorable variance has been incorporated into the test year.

(b) If the unfavorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

AUF also specifically objects to this POD on grounds that it solicits information relating to AUF's "direct expenses." "Direct expenses" have not been identified as a protested issue in the protest petition or in any cross-petition. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition

shall be “deemed stipulated.” *Id.* Thus, “direct expenses” is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

147. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 05_2010, for management fees - corporate expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the favorable variance has been incorporated into the test year.

(b) If the favorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

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148. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 05_2010, for management fees - regional expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the unfavorable variance has been incorporated into the test year.

(b) If the unfavorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

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149. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 06_2010, for management fees - corporate expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the favorable variance has been incorporated into the test year.

(b) If the favorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate

the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

150. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 06_2010, for management fees - regional expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the unfavorable variance has been incorporated into the test year.

(b) If the unfavorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the

erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

151. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 07__2010, for management fees - corporate expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the favorable variance has been incorporated into the test year.

(b) If the favorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to

the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

152. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 07_2010, for management fees - regional expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the unfavorable variance has been incorporated into the test year.

(b) If the unfavorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

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scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

153. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 08_2010, for management fees - corporate expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the favorable variance has been incorporated into the test year.

(b) If the favorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

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154. Management Fees. For purposes of this request, please refer to OPC POD 5, Attachment FL Variance Report 08_2010, for management fees - regional expenses.

(a) Please provide all supporting workpapers and source documents demonstrating the unfavorable variance has been incorporated into the test year.

(b) If the unfavorable variance has not been incorporated into the test year, please provide the supporting documentation for the monthly data and necessary information to calculate the full impact, including but not limited to invoices, general ledgers, correspondence, etc.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD on grounds that it solicits information that is not relevant or reasonably calculated to lead to the discovery of admissible evidence. The POD is based on the erroneous assumption that budget variance reports are used to determine or normalize the historic test year. Budget variance reports are irrelevant where, in a rate case like this, an historic test year is used. Actual data, not estimated data, was used to determine the historic test year.

In addition, this POD seeks information relating to AUF's use of the historic test year, which pursuant to the PAA Order is limited to the twelve-month period ending April 30, 2010. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* The historic test year set forth in the PAA Order is not a particular issue that has been identified by any protest petition or cross-petition. Thus, the use of the historic test year in the PAA Order is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

157. Miscellaneous Expense. For purposes of this request, please refer to the Company's response to OPC Interrogatory 130, Attachment 1, for Account 675/775 Miscellaneous Expense.

(a) Please provide supporting workpapers and source documents for the negative \$9,409 amount of miscellaneous expense for AUF Water Rate Band 3 for Prior Year 2007.

(b) Please provide supporting workpapers and source documents for the \$19,020 increase in miscellaneous expense for AUF Water Rate Band 3.

- (c) Please provide supporting workpapers and source documents for the \$9,686 increase in miscellaneous expense for AUF Water Rate Band 4.
- d) Please provide supporting workpapers and source documents for the negative \$54,443 amount of miscellaneous expense for AUF Sewer Rate Band 1 for Prior Year 2007.
- (e) Please provide supporting workpapers and source documents for the \$57,384 increase in miscellaneous expense for AUF Sewer Rate Band 1.
- (f) Please provide supporting workpapers and source documents for the negative \$29,552 amount of miscellaneous expense for AUF Sewer Rate Band 3 for Prior Year 2007.
- (g) Please provide supporting workpapers and source documents for the \$35,371 increase in miscellaneous expense for AUF Sewer Rate Band 3.
- (h) Please provide supporting workpapers and source documents for the negative \$14,049 amount of miscellaneous expense for AUF Sewer Rate Band 4 for Prior Year 2007.
- (i) Please provide supporting workpapers and source documents for the \$17,925 increase in miscellaneous expense for AUF Sewer Rate Band 4.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* "Miscellaneous Expense" is not a particular issue that has been identified by any protest petition or cross-petition. Thus, Miscellaneous Expense is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining solely to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly

contrary to the purpose of the statutory and rule framework governing PAA proceedings. Without waiving such objections, AUF will respond to this POD to the extent a “Miscellaneous Expense” is allocated to AUF by its affiliates.

159. Legal Expenses. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the increase in 633 Contractual Services - Legal from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission’s PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be “deemed stipulated.” *Id.* “Legal Expense” is not a particular issue that has been identified by any protest petition or cross-petition. Thus, “Legal Expense” is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

160. Legal Expenses. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the increase in 733 Contractual Services - Legal from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission’s PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be “deemed stipulated.” *Id.* “Legal Expense” is not a particular issue that has been identified by any protest petition or cross-petition. Thus, “Legal Expense” is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

161. Legal Expenses. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the decrease in 633 Contractual Services - Legal from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* "Legal Expense" is not a particular issue that has been identified by any protest petition or cross-petition. Thus, "Legal Expense" is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

162. Legal Expenses. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the decrease in 733 Contractual Services - Legal from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* "Legal Expense" is not a particular issue that has been identified by any protest petition or cross-petition. Thus, "Legal Expense" is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings.

163. Management Fees. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the increase in 634 Contractual Services - Mgmt. Fees from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects on grounds that this POD erroneously assumes there is an increase in 634 Contractual Services – Mgmt. Fees from the prior rate case to the current rate case. Without waiving such objections, AUF will respond to the POD.

164. Management Fees. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the increase in 734 Contractual Services - Mgmt. Fees from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects on grounds that this POD erroneously assumes there is an increase in 734 Contractual Services – Mgmt. Fees from the prior rate case to the current rate case. Without waiving such objections, AUF will respond to the POD.

165. Miscellaneous Expense. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the increase in 675 Miscellaneous Expenses from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission’s PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be “deemed stipulated.” *Id.* “Miscellaneous Expense” is not a particular issue that has been identified by any protest petition or cross-petition. Thus, Miscellaneous Expense is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining solely to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings. Without waiving such objections, AUF will respond to the extent a “Miscellaneous Expense” is allocated to AUF by its affiliates.

166. Miscellaneous Expense. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the increase in 775 Miscellaneous Expenses from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* "Miscellaneous Expense" is not a particular issue that has been identified by any protest petition or cross-petition. Thus, Miscellaneous Expense is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining solely to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings. Without waiving such objections, AUF will respond to the extent a "Miscellaneous Expense" is allocated to AUF by its affiliates.

167. Miscellaneous Expense. By rate band, and by system for the new systems, please provide all analyses undertaken by the Company which examined the decrease in 675 Miscellaneous Expenses from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* "Miscellaneous Expense" is not a particular issue that has been identified by any protest petition or cross-petition. Thus, Miscellaneous Expense is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining solely to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings. Without waiving such objections, AUF will respond to the extent a "Miscellaneous Expense" is allocated to AUF by its affiliates.

168. Miscellaneous Expense. By rate band, and by system for the new systems, please provide all documents with any analyses undertaken by the Company which examined the decrease in 775 Miscellaneous Expenses from the prior rate case to the current case.

OBJECTION: The General Objections stated above are incorporated herein by reference. Without waiving any such objections, AUF also specifically objects to this POD because it impermissibly seeks information outside of the protested issues in this proceeding. The information solicited therefore is not relevant nor is it reasonably calculated to lead to the discovery of admissible evidence. The issues in this proceeding are statutorily limited solely to the particular issues in the Commission's PAA Order that have been identified in a protest petition or a cross-petition. § 120.80(13)(b), Fla. Stat. (2011); Rule 25-22.029(3), F.A.C. Under Florida law, issues in the PAA Order that are not identified in the protest petition or cross-petition shall be "deemed stipulated." *Id.* "Miscellaneous Expense" is not a particular issue that has been identified by any protest petition or cross-petition. Thus, Miscellaneous Expense is a stipulated issue in this proceeding. To allow OPC to demand discovery pertaining solely to a stipulated issue would impermissibly expand the scope of this proceeding, increase rate case expense, and run directly contrary to the purpose of the statutory and rule framework governing PAA proceedings. Without waiving such objections, AUF will respond to the extent a "Miscellaneous Expense" is allocated to AUF by its affiliates.

HOLLAND & KNIGHT LLP



D. Bruce May, Jr.

Fla. Bar No. 354473

Gigi Rollini

Fla. Bar No. 684491

Post Office Drawer 810

Tallahassee, Florida 32302-0810

Phone: (850) 224-7000

Fax: (850) 224-8832

E-Mail: bruce.may@hklaw.com

gigi.rollini@hklaw.com

-and-

Kimberly A. Joyce, Esquire

Aqua America, Inc.

762 West Lancaster Avenue

Bryn Mawr, PA 19010

(610) 645-1077 (Telephone)

(610) 519-0989 (Facsimile)

Attorneys for Aqua Utilities Florida, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was furnished by hand-delivery or overnight delivery** this 29th day of August, 2011 to:

Ralph Jaeger
Caroline Klancke
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

J.R. Kelly
Patricia Christensen
Steve Reilly
Office of Public Counsel
c/o The Florida Legislature
111 W Madison St, Room 812
Tallahassee, FL 32399-1400

Kelly Sullivan**
570 Osprey Lakes Circle
Chuluota, FL 32667-6658

Kenneth M. Curtin**
Adams and Reese LLP
150 Second Avenue North, Suite 1700
St. Petersburg, Florida 33701



Attorney

#10574057_v3