

LAW OFFICES

MESSER, VICKERS, CAPARELLO, MADSEN, LEWIS, GOLDMAN & METZ

A PROFESSIONAL ASSOCIATION

SUITE 701, FIRST FLORIDA BANK BUILDING
215 SOUTH MONROE STREET
POST OFFICE BOX 1876
TALLAHASSEE, FLORIDA 32302-1876
TELEPHONE (904) 222-0720
TELECOPIER (904) 224-4359

SUITE 900
2000 PALM BEACH LAKES BOULEVARD
WEST PALM BEACH, FLORIDA 33409
TELEPHONE (407) 640-0820
TELECOPIER (407) 640-8202

Tallahassee

REPLY TO:

November 5, 1992

Mr. Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0850

HAND DELIVERY

Re: FPSC Docket No. 920199-WS

Dear Mr. Tribble:

On November 3, 1992, Southern States Utilities, Inc. filed its Motion for Leave to Submit Revised Rebuttal Testimony of Scott W. Vierima and the Revised Rebuttal Testimony of Scott W. Vierima. In so doing, Exhibit ___ (SWV-2) was inadvertently omitted as an attachment to Mr. Vierima's Revised Rebuttal Testimony. This is the same exhibit which was appended to Mr. Vierima's originally filed rebuttal testimony.

Enclosed herewith for filing in the above-referenced docket are an original and fifteen copies of Exhibit ___ (SWV-2) which should be appended to the Revised Rebuttal Testimony of Scott W. Vierima.

Please acknowledge receipt of these documents by stamping the extra copy of this letter filed and returning the same to me.

Thank you for your assistance with this filing.

Sincerely,


Kenneth A. Hoffman

cc: Harold McLean, Esq. (hand delivery)
Matthew Feil, Esq. (hand delivery)
Catherine Bedell (hand delivery)
Honorable Thomas M. Beard (hand delivery)
Commissioner Betty Easley (hand delivery)
Commissioner Susan Clark (hand delivery)
Mr. Bill Gibson (hand delivery)
Mr. Mark Laux (hand delivery)
Brian P. Armstrong, Esq.

DOCUMENT NUMBER-DATE
13007 NOV -5 1992
FPSC-RECORDS/REPORTING

ACK 1
AFB 3
AID _____
COT _____
CMI _____
CTR _____
EFC _____
LH 1
LH 4 KAH/rl
COT _____
RSH _____
SFC 1
WES _____
GTH _____

Docket No. 920199-WS
Exhibit _____ (SWV-2)
Cover Page

PUBLIC COUNSEL INTERROGATORY NO. 176
TO SOUTHERN STATES UTILITIES, INC.
CONCERNING MERGER EFFICIENCIES AND THE
COMPANY'S RESPONSE THERETO

DOCUMENT NUMBER-DATE

13007 NOV-5 1992

EPSC-RECORDS/REPORTING

001-27-92 13:36 ID:SSU SERVICES FL

TEL NO:1-407-880-1395

8358 F02

**SOUTHERN STATES UTILITIES, INC.
RESPONSE TO INTERROGATORIES
DOCKET NO. 920199-WS**

REQUESTED BY: OPC
SET NO.: 2
INTERROGATORY NO.: 176
ISSUE DATE: Jun 02, 1992
PREPARED BY: Forrest L. Ludsen

INTERROGATORY: 176

Merger/Consolidation

- a. Does the company anticipate any cost savings associated with the consolidation of its operations/companies? (Consolidation for purposes of this request and all subsequent requests is intended to cover the consolidation of the company, Deltona, SSUSI, and any other companies or divisions owned by The Topeka Group, or Southern States Utilities that were consolidated or merged with the company during 1989, 1990, and 1991).
- b. If the response to (a) is affirmative, when does the company expect these cost savings to materialize?
- c. Has the company estimated the impact of any cost savings associated with its consolidation?
- d. If the response to (c) is affirmative, please provide all calculations and source documents used to prepare all estimates of the cost savings and provide the estimated cost savings by year and month.
- e. If the response to (c) is not affirmative, why hasn't the company prepared such an estimate?
- f. If the response to (a) is not affirmative, why doesn't the company expect any cost savings associated with its consolidation?
- g. Has the company incorporated the savings associated with the consolidation into its test year?
- h. If the response to (g) is affirmative, please identify how these savings have been incorporated into the test year operations.
- i. If the response to (g) is not affirmative, please indicate why these savings have not been incorporated into the test year.

RESPONSE: 176

(a through i). The Company anticipates savings in the future from the consolidation in terms of reduced accounting fees, reduced costs of reporting, etc. However, estimates of such savings are merely speculative. The savings may be absorbed in the future by further cost increases associated with accounting fees, reporting fees, additional reports which may be required in the future, etc. Since the consolidation was not completed until July 15, 1992, the Company has not yet been able to measure actual savings. Qualitative benefits also should arise in terms of less customer confusion as to the identity of their service provider, increased employee esprit d' corps, etc. Since any estimate of cost savings is based on mere speculation at this time, such speculative savings have not been considered in this filing since only known and quantifiable items should be considered.