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TIMOTHY DEVLIN, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
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Public Service Commission

March 19, 2009

STAFF'S SECOND DATA REQUEST

Martin S. Friedman, Esquire  
Rose, Sundstrom & Bentley, LLP  
2180 West State Road 434  
Sanlando Center Suite 2118  
Longwood, FL 32779

Re: Docket No. 080249-WS – Application for increase in water and wastewater rates in Pasco County by Labrador Utilities, Inc.

Dear Mr. Friedman:

Please provide staff with the following information to facilitate our review of Labrador Utilities, Inc.'s (Labrador or Utility) application.

1) On MFR Schedules B-7 and B-8, Lines 1 through 3, Labrador reflects an increase for salaries & wages of \$27,551 or 143.87 percent for water and \$34,730 or 316.62 percent for wastewater. Labrador also reflects an increase of \$6,390 or 139.82 percent for water and \$6,148 or 134.32 percent for wastewater, for "employee pensions & benefits". Labrador asserts that the reason for these increases is due to "annualization, cost of living increases, and the need for additional employees." On MFR Schedules B-7 and B-8, the Utility reflects an adjusted test year amount of \$8,595 for water and \$8,410 for wastewater for Contractual Services- Other, which represents an increase \$7,699 or 859.23 percent for water and \$7,517 or 841.78 percent for wastewater. Labrador stated that the reason for this increase was: "The need for temporary employment has increased, giving rise to this account."

a) Given the fact that the Utility had included pro forma salary and pensions & benefits adjustments for annualization, cost of living increases, and the need for additional employees, please explain why Labrador did not make a corresponding adjustment to decrease Contractual Services - Other for the "temporary employment" during the test year.

b) Please state whether the \$7,699 increase for water and \$7,517 for wastewater in Contractual Services - Other for "temporary employment" represents an unamortized amount. If not, state the term of amortization.

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2) The following items relate to the Utility's requested rate case expense.

- (a) For each individual person, in each firm providing consulting services to the applicant pertaining to this docket, provide the billing rate, and an itemized description of work performed. Please provide detail of hours worked associated with each activity. Also provide a description and associated cost for all expenses incurred to date.
- (b) For each firm or consultant providing services for the applicant in this docket, please provide copies of all invoices for services provided to date.
- (c) If rate consultant invoices are not broken down by hour, please provide reports that detail by hour, a description of actual duties performed, and amount incurred to date.
- (d) Please provide an estimate of costs to complete the case by hour for each consultant or employee, including a description of estimated work to be performed, and detail of the estimated remaining expense to be incurred through the PAA process.
- (e) Please provide an itemized list of all other costs estimated to be incurred through the PAA process.

Please submit the requested information to the Office of Commission Clerk by April 2, 2009. If you have any questions, please contact me by phone at (850) 413-6427 or by email at [cmouring@psc.state.fl.us](mailto:cmouring@psc.state.fl.us).

Sincerely,



Curt Mouring  
Regulatory Analyst

cc: Office of Commission Clerk  
Office of the General Counsel (Jaeger)  
Division of Economic Regulation (Bulecza-Banks, Mouring, Daniel, Fletcher, Rieger)