



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: December 1, 1999
TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF WATER AND WASTEWATER (QUIJANO) *EHJ*
RE: DOCKET NO. 991437-WU - APPLICATION FOR RATE INCREASE IN ORANGE COUNTY BY WEDGEFIELD UTILITIES, INC.

Please place the attached MFRs deficiency letter dated November 30, 1999 in the above-referenced docket file.

Attached: a/s

cc: Division of Water and Wastewater (Merchant, Quijano)

- AFA _____
- APP _____
- CAF _____
- CMJ _____
- CTR _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- PAI _____
- SEC _____
- WAW _____
- WTN _____

DOCUMENT NUMBER-DATE

14647 DEC-1 99

FPSC-RECORDS/REPORTING

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.



DIVISION OF WATER & WASTEWATER
DANIEL M. HOPPE, DIRECTOR
(850) 413-6900

Public Service Commission

November 30, 1999

Mr. Ben Girtman, Esq.
1020 E. Lafayette Street, Suite 207
Tallahassee, FL 32301

Re: Docket No. 991437-WU, Application For Increased Water Rates by Wedgefield Utilities, Inc. in Orange County, Florida

Dear Mr. Girtman:

We have reviewed the minimum filing requirements (MFRs) submitted on November 12, 1999, on behalf of the above mentioned utility. After reviewing this information, we find the minimum filing requirements to be deficient. The specific deficiencies are identified below:

1. Schedule A-12, Schedule of Contributions in Aid of Construction by Classification
Schedule A-14, Schedule of Accumulated Amortization of CIAC by Classification

The instruction for these schedules in Commission Form PSC/WAW 20 requires the ending balances and average for the prior year and the test year be provided by classification. The utility failed to submit a breakdown of CIAC and Accumulated Amortization of CIAC by account or classification.

2. Schedule B-12, Allocation of Expenses
Schedule C-2, State and Federal Income Tax Calculation - Current
Schedule C-5, Deferred Income Tax Expense

The instructions for these schedules in Commission Form PSC/WAW 20 require an allocation between systems (water and wastewater). The utility failed to provide the allocation between water and wastewater systems on these schedules.

3. Schedule B-10, Analysis of Rate Case Expense

The instructions for this schedule in Commission Form PSC/WAW 20 require the utility to provide a list of each firm providing services for the applicant and the individuals for each firm assisting in the application. The utility failed to include the list of firm and individuals providing services for the applicant, particularly the legal counsel.

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4. Schedule E-2, Calculation of TYE 6/30/99 Water Revenues
Schedule E-14, Billing Analysis
 - a) On pages 1 and 2 of 6, the utility failed to provide an explanation for the differences of changing rates between the revenues at present and booked revenues. Also, on pages 5 and 6 of 6, the utility may have erroneously typed "Water" and actually meant "Wastewater" on the title and explanation of the schedules.
 - b) The total of gallons consumed reported on Schedule E-14 does not reconcile with the total of gallons on Schedule E-2. Please provide an explanation of the differences.
5. Rule 25-30.436(4)(h)(6&7), requires any system that has costs allocated or charged to it from a parent, affiliate or related party, in addition to those costs reported on Schedule B-12 of Commission Form PSC/WAW 20, to file three copies of additional schedules as listed. The utility failed to provide the following information:
 - a) An organizational chart of the relationship between the utility and its parent and affiliated companies and the relationship of any related parties.
 - b) A copy of any contracts or agreements between the utility and its parent or affiliated companies for services rendered between or among them.
6. For any land recorded on the utility's books since rate base was last established, Rule 25-30.436(4)(i), requires the utility to file copies of documents that demonstrate that the utility owns the land upon which the utility treatment facilities are located, or that provides for the continued use of the land, such as a 99-year lease. The utility failed to provide this documentation or state that this section is not applicable.
7. The detailed description and itemization of distribution of expenses submitted by the utility is for year ending December 31, 1998. The utility failed to provide the complete distribution of expenses for test year ending June 30, 1999 which should matched Schedule B-12, Schedule of Allocated Expenses.
8. The following deficiencies relate to Rule 25-30.440, Additional Engineering Information Required in an Application for Rate Increase:
 - a) Item (1) requires the utility to submit a detailed map showing: (a) the location and size of the applicant's distribution and collection lines as well as its plant sites, and (b) the location and respective classification of the applicant's customers. The utility has notified the Commission that the map will be sent separately.

Mr. Ben Girtman
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- b) Item (2) requires the utility to submit a list of chemicals used for water and wastewater treatment, by type, showing the dollar amount and quantity purchased, the unit prices paid and the dosage rates utilized. The utility failed to submit the actual quantity of chemicals used for water and wastewater treatment by months and the dosage rates utilized. Please provide the complete listing with chemical documentation for this item.
- c) Item (4) requires the utility to submit operating reports for the test year and the year preceding the test year. The utility failed to submit the operating reports for the test year ending June 30, 1999.

Your petition will not be deemed filed until we have received the above mentioned information. These corrections should be submitted no later than January 5, 2000.

Sincerely,



Dan Hoppe
Director

By Certified Mail
Return Receipt

DH/emq

cc: **Division of Records and Reporting**
Division of Legal Services (Christensen)
Division of Water and Wastewater (Willis, Merchant, Crouch, Edwards, Quijano)

Mr. Carl Wenz
Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062-6196