State of Florida

Hublic Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULAVIOR 8 AM 10: 38 TALLAHASSEE, FLORIDA 32399-0850

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

COMMISSION CLERK

DATE: August 18, 2011

TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk

- FROM: Jared Deason, Division of Economic Regulation \mathcal{A} ALM Jennifer Crawford, Office of the General Counsel
- **RE:** Docket No. 110226-WS Application for increase in water and wastewater rates by Aqua Utilities Florida, Inc. for Chuluota systems in Seminole County.

On August 15, 2011, Aqua Utilities Florida, Inc. (Aqua or Utility) filed a letter to withdraw its request for test year approval. Staff has determined that there are no other pending issues that need to be addressed by the Commission. Therefore, this docket may be administratively closed.

ok to close 8-18-11 MJ

cc:

Division of Economic Regulation (Daniel, Fletcher, Maurey, Stallcup) Office of Auditing and Performance Analysis (Prestwood)

> OCUMENT NUMBER-DATE 05873 AUG 18 = FPSC-COMMISSION CLERK

Holland & Knight

315 South Calhoun Street, Suite 600 | Tallahassee, FL 32301 | T 850.224.7000 | F 850.224.8832 Holland & Knight LLP | www.hklaw.com RECEIVED-FPSC

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COMMISSION CLERK

D. Bruce May, Jr. (850) 425-5607 bruce.may@hklaw.com

August 15, 2011

Via Hand Delivery

Honorable Art Graham Chairman Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

> Re: Re: Application for increase in water and wastewater rates by Aqua Utilities Florida, Inc. for Chuluota systems in Seminole County Docket No. 110226

Dear Chairman Graham:

Aqua Utilities Florida, Inc. ("AUF") hereby withdraws the request for test year approval for its Chuluota water and wastewater systems, which request AUF previously filed on July 15, 2011. Thank you for your consideration.

Sincerely,

HOLLAND & KNIGHT LLP

- Bruce May, Jr.

DBM:kjg

cc: Hon. Lisa Polak Edgar, Commissioner
Hon. Ronald A. Brisé, Commissioner
Hon. Eduardo E. Balbis, Commissioner
Hon. Julie Imanuel Brown, Commissioner
S. Curtis Kiser, General Counsel (Via Hand Delivery)
Charles Hill, Deputy Executive Director (Via Hand Delivery)

DOCUMENT NUMBER-DATE SC-COMMISSION CLERP

Atlanta | Bethesda | Boston | Chicago | Fort Lauderdale | Jacksonville | Lakeland | Los Angeles | Miami | New York Northern Virginia | Orlando | Portland | San Francisco | Tallahassee | Tampa | Washington, D.C. | West Palm Beach Chairman Art Graham August 15, 2011 Page 2

> Marshall Willis, Director, Division of Economic Regulation (Via Hand Delivery) Ann Cole, Commission Clerk and Administrative Services (Via Hand Delivery) J.R. Kelley, Office of Public Counsel (Via Hand Delivery) Troy Rendell, Aqua Utilities Florida, Inc. (Via U.S. Mail) Rick Fox, Aqua Utilities Florida, Inc. (Via U.S. Mail)

ART GRAHAM CHAIRMAN

STATE OF FLORIDA



Capital Circle Office Center 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 (850) 413-6046

Hublic Service Commission

August 4, 2011

Mr. D. Bruce May, Jr. Holland & Knight LLP 315 South Calhoun Street, Suite 600 Tallahassee, Florida 32301

Re: Docket No. 110226-WS – Application for Increase in Water and Wastewater Rates by Aqua Utilities Florida, Inc. for Chuluota Systems in Seminole County

Dear Mr. May:

The Florida Public Service Commission received your July 15, 2011, letter regarding a proposed rate case by Aqua Utilities Florida, Inc. (AUF or Utility) for its Chuluota systems in Seminole County. In that letter, AUF requested to use a historical test year ended March 31, 2011, for establishing final rates.

Because you did not request to process this filing using the Proposed Agency Action (PAA) process, the Utility's application will be scheduled directly for a formal hearing. Pursuant to Rule 25-30.430, Florida Administrative Code (F.A.C.), AUF's test year request as outlined above is hereby approved for purposes of filing its Minimum Filing Requirements (MFRs). Since this case will be set directly for hearing, AUF's pre-filed direct testimony must be filed with the MFRs pursuant to Rule 25-30.436(2), FAC. Docket No. 110226-WS has been assigned to the forthcoming case. Your petition will be deemed filed on the date the Office of Commission Clerk receives the complete petition, the MFRs, pre-filed direct testimony and the filing fee. To process this case expeditiously, we request that you file the above no later than October 7, 2011.

Please note that many schedules included in the MFRs are designed with a column titled "Balance Per Books." This column must reflect the balances on the general ledger and be reconciled with the balances reported in the Utility's Annual Report on file with the Commission. This requirement is applicable to all primary account balances as required by the NARUC Uniform System of Accounts. Pursuant to Rule 25-30.110(2), F.A.C., all data the Commission requests and requires to be submitted in determining a utility's rates "shall be consistent with and reconcilable with the utility's annual report to the Commission."

In addition, AUF should satisfactorily document that it has recorded all adjustments to the Utility's general ledger and accounts that have been ordered by the Commission in any prior proceeding relating to these systems. If adjustments were ordered for prior periods that have any

Mr. D. Bruce May, Jr. August 4, 2011 Page 2

impact on subsequent years, the related adjustments shall also be made to reflect the impact for the appropriate period up to and including the approved test year. Further, AUF should be prepared to justify its requested test year operation and maintenance expenses, particularly those which have increased above the level of customer growth and inflation for the year ended five years prior to the test year.

The Utility is instructed to file all information it wishes the Commission to consider when arriving at a decision on its rate case application with its original filing. Because of the time limitations contained in Section 367.081, F.S., and the lengthy auditing and investigation required, the Commission may disregard any information not filed with the original application. Approval of the test year for filing purposes does not mean that an issue regarding the appropriateness of the test period could not be raised at any time during the proceeding. If you have any questions, please contact Bart Fletcher at (850) 413-7017 or <u>bart.fletcher@psc.state.fl.us</u>.

Sincerely,

Art Graham Chairman

AG/bf:jd

 cc: Mr. J.R. Kelly, Office of Public Counsel Mr. Charles Hill, Deputy Executive Director Mr. S. Curtis Kiser, General Counsel Division of Economic Regulation (Willis, Bulecza-Banks, Maurey, Stallcup, Fletcher, Cicchetti, Daniel) Office of Auditing and Performance Analysis (Prestwood) Office of the General Counsel (Crawford) Office of Commission Clerk (Docket No. 110226-WS)