Case Scheduling/Rescheduling Advice

Last Revised 01/05/2006 at 12:54

Printed on 01/05/2006 at 13:07

To:

[X] Commissioner Deason	[X] Deputy Executive Director/EXA	[ ] Economic Regulation Director
[X] Commissioner Arriaga	[X] General Counsel Director	[ ] External Affairs Director
[ ] Commissioner Carter	[ ] Auditing & Safety Director	[X] Court Reporter
[ ] Commissioner Tew	[X] Comm. Clerk & ADM Services	[X] Staff Contact - Cochran Keating
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Consumer Affairs Director	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED CASE

Docket Title: Implementation of Section 366.91, F.S., Renewable generation standard offer contracts.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Staff Workshop	02/17/2006	03/06/2006	Tallahassee, Room 148	9:30 AM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
	X	X	X				X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks: Implementation of Section 366.91, F.S., Renewable generation standard offer contracts.

DOCUMENT NUMBER-DATE

03349 APR 20 05

FPSC-COMMISSION CLERK

Case Scheduling/Rescheduling Advice

Last Revised 01/05/2006 at 12:46

Printed on 01/05/2006 at 13:07

To:
- [X] Commissioner Deason
- [X] Commissioner Arriaga
- [X] Commissioner Carter
- [X] Commissioner Tew
- [X] Executive Director
- [X] Public Information Officer
- [X] Deputy Executive Director/EXA
- [X] General Counsel Director
- [ ] Auditing & Safety Director
- [X] Comm. Clerk & ADM Services
- [ ] Competitive Markets/Enforcement
- [X] Consumer Affairs Director
- [ ] Economic Regulation Director
- [ ] External Affairs Director
- [X] Court Reporter
- [ ] Staff Contact
- [ ]
- [ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED CASE

Docket Title: IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	02/06/2006	02/07/2006	Tallahassee, Room 140	3:00 PM - 5:00 PM
Internal Affairs	03/06/2006	03/07/2006	Tallahassee, Room 140	3:00 PM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks: IA/Agenda/NARUC/PURC/Holidays/Etc. -- 2006

Case Scheduling/Rescheduling Advice

Last Revised 01/17/2006 at 12:48 p.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[X] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Storm damage cost recovery.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Staff Workshop		03/10/2006	Tallahassee, Room 148	9:30 a. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Staff workshop on storm damage cost recovery.

Case Scheduling/Rescheduling Advice

Last Revised 01/18/2006 at 3:10 p.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[X] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Storm damage cost recovery.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Rule Development Workshop		03/10/2006	Tallahassee, Room 148	9:30 a. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Rule development workshop on storm damage cost recovery.

Case Scheduling/Rescheduling Advice

Last Revised 01/20/2006 at 7:49 a.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	01/24/2006	Cancelled	Tallahassee, Room 140	3:00 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 - AGENDA, INTERNAL AFFAIRS, NARUC, PURC, HOLIDAYS, etc.

Case Scheduling/Rescheduling Advice

Last Revised 01/26/2006 at 4:12 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	05/15/2006	05/16/2006	Tallahassee, Room 140	3:00 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 - AGENDA, INTERNAL AFFAIRS

Case S heduling/Rescheduling A vice

Last Revised 02/28/2006 at 7:48 a.m.

To:

☐ Commissioner Deason	☒ Deputy Executive Director	☒ Economic Regulation
☐ Commissioner Arriaga	☒ General Counsel	☒ Court Reporter
☐ Commissioner Carter	☐ Strategic Analysis & Gov. Affairs	☐ Staff Contact
☐ Commissioner Tew	☒ Commission Clerk & ADM Services	☐
☒ Executive Director	☐ Competitive Markets/Enforcement	☐
☒ Public Information Officer	☒ Reg. Compliance/Consumer Asst.	☐

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Storm damage cost recovery.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Rule Development Workshop		03/10/2006	Tallahassee, Room 152	9:30 a. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Rule development workshop on storm damage cost recovery.
FEB. 28, 2006, ROOM CHANGE ONLY

Case Scheduling/Rescheduling Advice

Last Revised 02/28/2006 at 9:36 a.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[X] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Mary Bane
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Workshop on Economic Diversity

1. Schedule Information

Event	Former Date	New Date	Location	Time
Commissioner Workshop		04/12/2006	Tallahassee, Room 148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Workshop on Economic Diversity

Case Scheduling/Rescheduling Advice

Last Revised 03/06/2006 at 10:14 a.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[X] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Samantha Cibula
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Storm damage cost recovery.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Rule Development Workshop		03/10/2006	Tallahassee, Room 148	9:30 a. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Room change only - from 152 to 148. Rule development workshop on storm damage cost recovery.

Case Scheduling/Rescheduling Advice

Last Revised 03/06/2006 at 2:14 p.m.

To:

☐ Commissioner Deason	☒ Deputy Executive Director	☐ Economic Regulation
☐ Commissioner Arriaga	☒ General Counsel	☒ Court Reporter
☐ Commissioner Carter	☐ Strategic Analysis & Gov. Affairs	☒ Staff Contact - Kira Scott
☐ Commissioner Tew	☒ Commission Clerk & ADM Services	☐
☒ Executive Director	☐ Competitive Markets/Enforcement	☐
☒ Public Information Officer	☒ Reg. Compliance/Consumer Asst.	☐

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Lifeline/Link-up

1. Schedule Information

Event	Former Date	New Date	Location	Time
Staff Workshop		04/11/2006	Tallahassee, Room 148	9:00 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Linfeline/Link-up

Case Scheduling/Rescheduling Advice

Last Revised 03/07/2006 at 7:44 a.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	03/07/2006	Cancelled	Tallahassee, Room 140	3:00 p. - 5:00 p.
Internal Affairs	03/20/2006	Cancelled	Tallahassee, Room 140	9:30 a. - 12:00 p.
Agenda	03/21/2006	Cancelled	Tallahassee, Room 148	9:30 a. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 - AGENDA, INTERNAL AFFAIRS

Case Scheduling/Rescheduling Advice

Last Revised 03/14/2006 at 3:24 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	04/17/2006	04/18/2006	Tallahassee, Room 140	3:00 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 - AGENDA, INTERNAL AFFAIRS

Case Scheduling/Rescheduling Advice

Last Revised 03/16/2006 at 1:36 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Agenda		06/20/2006	Tallahassee, Room 148	1:30 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks:

2006 - AGENDA, INTERNAL AFFAIRS

Beginning time of 6/20/06 regular agenda changed to 1:30 p.m.

Case Scheduling/Rescheduling Advice

Last Revised 03/20/2006 at 7:53 a.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Andrew Maurey
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED --

1. Schedule Information

Event	Former Date	New Date	Location	Time
Informal Meeting		03/30/2006	Tallahassee, Room 140	9:00 a. - 11:00 a.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 060083/060154 discussion of financing orders

Case Scheduling/Rescheduling Advice

Last Revised 04/12/2006 at 9:05 a.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Agenda		04/18/2006	Tallahassee, Room 148	1:30 p. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks:

2006 - AGENDA, INTERNAL AFFAIRS
Beginning time of 4/18/06 agenda moved to 1:30 p.m.

Case Scheduling/Rescheduling Advice

Last Revised 04/26/2006 at 7:59 a.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	08/14/2006	08/15/2006	Tallahassee, Room 140	3:00 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 - AGENDA, INTERNAL AFFAIRS

Case Scheduling/Rescheduling Advice

Last Revised 05/01/2006 at 12:27 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	05/01/2006	05/02/2006	Tallahassee, Room 140	3:00 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 - AGENDA, INTERNAL AFFAIRS

Case Scheduling/Rescheduling Advice

Last Revised 05/02/2006 at 7:56 a.m.

To:

☐ Commissioner Deason	☒ Deputy Executive Director	☐ Economic Regulation
☐ Commissioner Arriaga	☒ General Counsel	☒ Court Reporter
☐ Commissioner Carter	☐ Strategic Analysis & Gov. Affairs	☒ Staff Contact - Samantha Cibula
☐ Commissioner Tew	☒ Commission Clerk & ADM Services	☐
☒ Executive Director	☒ Competitive Markets/Enforcement	☐
☒ Public Information Officer	☒ Reg. Compliance/Consumer Asst.	☐

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Rule 25-4.0665, F.A.C., Lifeline Service

1. Schedule Information

Event	Former Date	New Date	Location	Time
Rule Development Workshop		06/21/2006	Tallahassee, Room 148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Rule 25-4.0665, Lifeline Service

Case Scheduling/Rescheduling Advice

Last Revised 05/09/2006 at 2:31 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	05/16/2006	Cancelled	Tallahassee, Room 140	3:00 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 - AGENDA, INTERNAL AFFAIRS

Case Scheduling/Rescheduling Advice

Last Revised 05/16/2006 at 1:56 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Agenda		06/20/2006	Tallahassee, Room 148	9:30 a. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks:

2006 - AGENDA, INTERNAL AFFAIRS

6/20/06 Special Agenda in Docket 060154-EI scheduled to begin at 9:30 a.m. canceled; regular agenda rescheduled from 1:30 p.m. to 9:30 a.m.

Case Scheduling/Rescheduling Advice

Last Revised 05/30/2006 at 1:54 p.m.

To:
- [X] Commissioner Deason
- [X] Commissioner Arriaga
- [X] Commissioner Carter
- [X] Commissioner Tew
- [X] Executive Director
- [X] Public Information Officer
- [X] Deputy Executive Director
- [X] General Counsel
- [ ] Strategic Analysis & Gov. Affairs
- [X] Commission Clerk & ADM Services
- [ ] Competitive Markets/Enforcement
- [X] Reg. Compliance/Consumer Asst.
- [ ] Economic Regulation
- [X] Court Reporter
- [ ] Staff Contact

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs		06/05/2006	Tallahassee, Room 148	9:30 a. - 12:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: June 5, 2006 Internal Affairs moved from Room 140 to 148.

Case Scheduling/Rescheduling Advice

Last Revised 05/31/2006 at 4:29 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Agenda	07/06/2006	Cancelled	Tallahassee, Room 148	9:30 a. - 3:00 p.
Internal Affairs	07/06/2006	Cancelled	Tallahassee, Room 140	3:00 p. - 5:00 p.
Agenda	10/17/2006	10/24/2006	Tallahassee, Room 148	9:30 a. - 3:00 p.
Internal Affairs	10/16/2006	10/24/2006	Tallahassee, Room 140	3:00 p. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 AGENDA, INTERNAL AFFAIRS

Case Scheduling/Rescheduling Advice

Last Revised 06/08/2006 at 12:33 p.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[X] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Judy Harlow
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Implementation of Section 366.91, F.S., Standard Offer Contracts for Renewable Generators.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Staff Workshop		08/23/2006	Tallahassee, Room 148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Staff Workshop - Implementation of Section 366.91, F.S., Standard Offer Contracts for Renewable Generators.

Case Scheduling/Rescheduling Advice

Last Revised 06/13/2006 at 8:17 a.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- IA/Agenda/NARUC/PURC/Holidays/Etc. for 2006

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	06/19/2006	Cancelled	Tallahassee, Room 140	9:30 a. - 12:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2006 AGENDA, INTERNAL AFFAIRS

Case Scheduling/Rescheduling Advice

Last Revised 06/13/2006 at 10:32 a.m.

To:

☐ Commissioner Deason	☒ Deputy Executive Director	☒ Economic Regulation
☐ Commissioner Arriaga	☒ General Counsel	☒ Court Reporter
☐ Commissioner Carter	☐ Strategic Analysis & Gov. Affairs	☒ Staff Contact - James McRoy
☐ Commissioner Tew	☒ Commission Clerk & ADM Services	☐
☒ Executive Director	☐ Competitive Markets/Enforcement	☐
☒ Public Information Officer	☒ Reg. Compliance/Consumer Asst.	☐

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Proposed revisions to Rule 25-22.081, Contents of Petition

1. Schedule Information

Event	Former Date	New Date	Location	Time
Staff Workshop		12/13/2006	Tallahassee, Room 148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Proposed revisions to Rule 25-22.081, Contents of Petition

Case Scheduling/Rescheduling Advice

Last Revised 07/13/2006 at 2:52 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Mike Haff
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Electric utilities' 10-year site plans

1. Schedule Information

Event	Former Date	New Date	Location	Time
Commissioner Workshop	08/24/2006	09/07/2006	Tallahassee, Room 148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Electric utilities' 10-year site plans

Case Scheduling/Rescheduling Advice

Last Revised 07/13/2006 at 3:57 p.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Lawrence Harris
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED --

1. Schedule Information

Event	Former Date	New Date	Location	Time
Staff Workshop		08/30/2006	Tallahassee, Room 148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Staff workshop on Nuclear Plant Construction Costs

Case Scheduling/Rescheduling Advice

Last Revised 08/16/2006 at 3:27 p.m.

To:
- [X] Commissioner Deason
- [X] Commissioner Arriaga
- [X] Commissioner Carter
- [X] Commissioner Tew
- [X] Executive Director
- [X] Public Information Officer
- [X] Deputy Executive Director
- [X] General Counsel
- [X] Strategic Analysis & Gov. Affairs
- [X] Commission Clerk & ADM Services
- [X] Competitive Markets/Enforcement
- [X] Reg. Compliance/Consumer Asst.
- [X] Economic Regulation
- [X] Court Reporter
- [ ] Staff Contact
- [ ]
- [ ]
- [ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Internal Affairs Meetings

1. Schedule Information

Event	Former Date	New Date	Location	Time
Internal Affairs	02/05/2007	02/12/2007	Tallahassee, Room 140	9:30 a. - 12:00 p.
Internal Affairs	02/26/2007	Cancelled	Tallahassee, Room 140	9:30 a. - 12:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2007 - INTERNAL AFFAIRS MEETINGS

Case Scheduling/Rescheduling Advice

Last Revised 08/16/2006 at 3:29 p.m.

To:

[X] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Agenda Conferences

1. Schedule Information

Event	Former Date	New Date	Location	Time
Agenda	02/06/2007	02/13/2007	Tallahassee, Room 148	9:30 a. - 3:00 p.
Agenda	02/27/2007	Cancelled	Tallahassee, Room 148	9:30 a. - 3:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
X							

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: 2007 - AGENDA CONFERENCES

Case Scheduling/Rescheduling Advice

Last Revised 08/22/2006 at 1:27 p.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[X] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - James McRoy
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Proposed revisions to Rule 25-22.081, Contents of Petition

1. Schedule Information

Event	Former Date	New Date	Location / Room	Time
Staff Workshop	12/13/2006	10/18/2006	Tallahassee / E-140	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Proposed revisions to Rule 25-22.081, Contents of Petition

Case Scheduling/Rescheduling Advice

Last Revised 10/04/2006 at 2:52 p.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Samantha Cibula
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Rule 25-4.0665, F.A.C., Lifeline Service

1. Schedule Information

Event	Former Date	New Date	Location / Room	Time
Rule Development Workshop		02/06/2007	Tallahassee / E-148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Rule 25-4.0665, F.A.C., Lifeline Service

Case Scheduling/Rescheduling Advice

Last Revised 10/24/2006 at 4:41 p.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[ ] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[ ] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[X] Staff Contact - Sharon Allbritton
[ ] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Florida Natural Gas Association Workshop

1. Schedule Information

Event	Former Date	New Date	Location / Room	Time
Staff Workshop		11/13/2006	Tallahassee / E-140	1:30 p. - 4:30 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
							X

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Florida Natural Gas Association Workshop

Case Scheduling/Rescheduling Advice

Last Revised 12/28/2006 at 8:52 a.m.

To:

[ ] Commissioner Deason	[X] Deputy Executive Director	[ ] Economic Regulation
[X] Commissioner Arriaga	[X] General Counsel	[X] Court Reporter
[X] Commissioner Carter	[ ] Strategic Analysis & Gov. Affairs	[ ] Staff Contact
[X] Commissioner Tew	[X] Commission Clerk & ADM Services	[ ]
[X] Executive Director	[ ] Competitive Markets/Enforcement	[ ]
[X] Public Information Officer	[X] Reg. Compliance/Consumer Asst.	[ ]

From: Office of Chairman Lisa Edgar

Docket Number: UNDOCKETED -- Workshop on Renewable Energy

1. Schedule Information

Event	Former Date	New Date	Location / Room	Time
Commissioner Workshop		01/19/2007	Tallahassee / E-148	9:30 a. - 5:00 p.

2. Hearing/Prehearing Assignment Information

Hearing Officers

Former Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	ED	DS	AR	CT	TW		
	X		X	X	X		

Prehearing Officer

Commissioners					
ED	DS	AR	CT	TW	ADM

Commissioners					
ED	DS	AR	CT	TW	ADM

Remarks: Notice of Workshop issued 12/27/06. Incoming-Commissioner Littlefield will be added to panel in January '07.

Matilda Sanders

4

From: Patti Zellner
Sent: Friday, January 06, 2006 10:56 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 1/6/2006 10:52:00 AM
Docket Number: UNDOCKETED - WATER RATE DESIGN
Filename / Path: workshopnotice.rrj.doc
Notice Type: Workshop

NOTICE OF COMMISSION WORKSHOP

(MATILDA:
I RE-DID THE NOTICE. PLEASE LET ME KNOW IF IT ISN'T FIXED)
THANKS,
P.Z.

134/35

N/W/S.
www.

DOCUMENT NO.
03349-07
4/20/07

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 11, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6455)

Patrick M. Bryan, Esquire
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

Re: Return of Confidential Documents to the Source (Undocketed)

Dear Mr. Bryan:

Commission staff have advised that confidential Document Nos. 09743-05 and 10143-05, filed on behalf of Florida Power & Light Company, can be returned to the source. The documents are enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Daniel Q. Lee, Division of Economic Regulation

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 11, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6455)

FPSC, CLK - CORRESPONDENCE
☒ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: ECR

Patrick M. Bryan, Esquire
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

Re: Return of Confidential Documents to the Source (Undocketed)

Dear Mr. Bryan:

Commission
on behalf of Florid
enclosed.

Please do no

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 09743-05
10143-05

PATRICK M BRYAN ESQUIRE
FLORIDA POWER & LIGHT COMPANY
700 UNIVERSE BLVD
JUNO BEACH FL 33408-0420

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) G ADAMS — B. Date of Delivery 1/17/6

C. Signature X D adams — ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7004 1160 0004 5750 6455

PS Form 3811, March 2001 — Domestic Return Receipt — 102595-01-M-1424

KF:mhl
Enclosure

cc: Daniel Q. Lee, Division of Economic Regulation

DOCUMENT NO. DATE

03349-07 1/11/06
FPSC - COMMISSION CLERK

EVERCOM

CORRESPONDENCE FILE

060000

RECEIVED-FPSC
06 JAN 13 AM 11:05
COMMISSION
CLERK

January 12, 2006

VIA OVERNIGHT DELIVERY

Clerk's Office
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Proposed Revisions for Evercom Systems, Inc.
Telecommunications Services Tariff

Dear Sir or Madam:

Please find enclosed on behalf of Evercom Systems, Inc. ("Evercom") an original and three copies of proposed revisions to the Company's Florida Tariff No. 1. Sheets affected by this filing include: Ninth Revised Sheet 2 and Fifth Revised Sheet 14.

The purpose of the proposed revisions is to increase the Bill Statement Fee as described in Section 4.1.7. The Company's Territory Managers are contacting the affected confinement facilities directly to notify them of this change. Evercom respectfully requests an effective date of January 16, 2006 for this filing.

Evercom sincerely appreciates your attention to this matter. Please acknowledge receipt of this filing by date stamping the enclosed additional copy of this cover letter and returning it in the self-addressed stamped envelope provided. Should you have any questions or comments regarding this filing, please contact the undersigned at (972) 277-0395 or ecurry@securustech.net.

Respectfully submitted,

Erin L. Curry

Erin L. Curry
Regulatory Analyst

Forwarded to CMP Bates

14651 Dallas Parkway, Suite 600 | Dallas, Texas 75254 | 972-277-0300 | 972-277-0416 Fax

CORRESPONDENCE FILE
060000

T-NETIX®

14651 Dallas Parkway, Suite 600
Dallas, Texas 75254-8815

Phone: 972-277-0522
Fax: 972.277-0416

P.O. Box 701028
Dallas, TX 75370-1028

RECEIVED-FPSC
06 JAN 13 AM 11:05
COMMISSION
CLERK

January 12, 2006

VIA OVERNIGHT DELIVERY

Clerk's Office
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: T-NETIX Telecommunications Services, Inc.
Proposed Tariff Revisions

Dear Sir or Madam:

Please find enclosed an original and three copies of proposed tariff revisions to T-NETIX Telecommunications Services, Inc.'s ("T-NETIX") Florida Tariff No. 1. Sheets affected by this filing include the following: Fourth Revised Sheets 2 and 4.

The purpose of the proposed revision is to increase the Billing Cost Recovery Fee as described in Section 4.6. The Company's Territory Managers are contacting the affected confinement facilities directly to notify them of this change. T-NETIX respectfully requests an effective date of January 16, 2006 for this filing.

The Company sincerely appreciates your attention to this matter. Please date stamp the enclosed additional copy of this correspondence and return it in the enclosed pre-addressed stamped envelope. Should you have questions regarding this filing, please contact the undersigned at (972) 277-0395 or ecurry@securustech.net.

Respectfully submitted,

Erin L. Curry

Erin L. Curry
Regulatory Analyst

2006 JAN 13 AM 9:29
DISTRIBUTION CENTER

Forwarded to CMP/Bates

Marguerite Lockard 060000-OT

From: Kay Flynn
Sent: Friday, January 13, 2006 4:59 PM
To: Marguerite Lockard; Matilda Sanders; Timolyn Henry
Cc: Lisa Harvey; Kimberley Pena; Hong Wang; Nonnye Grant; Dorothy Menasco
Subject: RE: Confidential filing? - FOLLOW-UP

Problem solved. Mary Rose called back and confirmed that, Lisa, the document in the envelope addressed to you was the confidential we were to get. so I've taken it out and you're getting just the cover letter copy.

We'll document-number this Tuesday morning (after we finish processing the FPL filing) as an undocketed confidential filing.

Kay

(00382-06)

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP; CCA

From: Kay Flynn
Sent: Friday, January 13, 2006 4:29 PM
To: Marguerite Lockard; Matilda Sanders; Timolyn Henry
Cc: Lisa Harvey; Kimberley Pena; Hong Wang; Nonnye Grant
Subject: Confidential filing?

BellSouth dropped off a filing this afternoon (Friday) that consisted of only a cover letter. The cover letter says it is claiming confidentiality, but they didn't provide anything confidential to us.

However, Robyn left an envelope marked for Lisa Harvey and one marked for Beth Salak. I suspect at least Lisa's envelope contains the confidential document. I'm locking the letter and the 2 envelopes in the confidential room.

I also left a v-m message for Jerry Hendrix and asked him to call me Tuesday morning.

We'll need to get this resolved before we can consider everything from Friday 1/13 handled of course.

Kay

ORIGINAL

Federal Communications Commission
Consumer & Governmental Affairs Bureau
Washington, D.C. 20554

CGB

JAN 12 2006

COMMISSION CLERK

Control No. 0502527/kah

060000-OT

The Honorable Olympia J. Snowe
United States Senator
3 Canal Plaza, Suite 601
Portland, ME 04101

Dear Senator Snowe:

Thank you for your letter to the Federal Trade Commission (FTC) on behalf of your constituent, Ms. Laura Marston, custodian for Phyllis Marston, regarding the difficulties she is experiencing with Sprint. The FTC has forwarded the matter to us for handling.

We understand Ms. Marston's concerns. However, many telephone-related issues, such as complaints against local service providers or disputes about charges for calls that do not pass through state boundaries are subject to the rules of state public utility commissions. Ms. Marston's concerns appear to fall under the jurisdiction of the Florida Public Service Commission. We forwarded copies of her correspondence to the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850 for their review and appropriate action. Ms. Marston may contact them toll free at 1-800-342-3552, or visit their web site www.psc.state.fl.us.

Although we cannot assist Ms. Marston at this time, letters from consumers such as Ms. Marston's provide valuable information that may be used to develop or support Commission initiatives for consumers. We appreciate your inquiry. Please do not hesitate to contact us if you have further questions.

CMP 1
COM
CTR
ECR
GCL 1
OPC
RCA
SCR
SGA
SEC
OTH

Sincerely,

Jay Keithley
Deputy Bureau Chief
Consumer & Governmental Affairs Bureau

cc: Florida Public Service Commission

OLYMPIA J. SNOWE
MAINE
154 RUSSELL SENATE OFFICE BUILDING
(202) 224-5344
E-Mail: Olympia@snowe.senate.gov
Web Site: http://snowe.senate.gov

United States Senate

WASHINGTON, DC 20510-1903

COMMITTEES:
COMMERCE, SCIENCE, AND TRANSPORTATION
CHAIR, OCEANS AND FISHERIES SUBCOMMITTEE
FINANCE
INTELLIGENCE
CHAIR, SMALL BUSINESS

Privacy Act Authorization Form

Date: 10/31/05

TO WHOM IT MAY CONCERN

In accordance with the requirements of the Privacy Act of 1974, which protects my confidential records from unauthorized release, I am taking the opportunity to give Senator Olympia J. Snowe and her staff permission to receive information in my records relative to her inquiry on my behalf.

Name: LAURA MARSTON

Address: 19 8TH ST Portland, Me 04103

Telephone #: 207 878-4108

Social Security #: [redacted]

Date of Birth: [redacted]

Signature: Laura Marston

AUBURN
TWO GREAT FALLS PLAZA
SUITE 7B
AUBURN, ME 04210
(207) 786-2451

AUGUSTA
40 WESTERN AVENUE, SUITE 408C
AUGUSTA, ME 04330
(207) 622-8292

BANGOR
ONE CUMBERLAND PLACE, SUITE 306
BANGOR, ME 04401
(207) 945-0432

BIDDEFORD
231 MAIN STREET, SUITE 2
BIDDEFORD, ME 04005
(207) 282-4144

PORTLAND
3 CANAL PLAZA, SUITE 601
PORTLAND, ME 04101
(207) 874-0883
MAINE RELAY SERVICE
TDD 1-955-3323

PRESQUE ISLE
169 ACADEMY STREET, SUITE 3
PRESQUE ISLE, ME 04769
(207) 764-5124

IN MAINE CALL TOLL-FREE 1-800-432-1599

PRINTED ON RECYCLED PAPER

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Secretary

DEC 22 2005

30 DEC 2005 RCVD

The Honorable Olympia Snowe
United States Senate
3 Canal Plaza
Portland, ME 04101

Re: FTC Ref. No. 7154111

Dear Senator Snowe:

Thank you for your letter on behalf of your constituent, Ms. Laura Marston of Portland, concerning her difficulties with Sprint. As you know, the Federal Trade Commission has been directed by Congress to act in the interest of all consumers to prevent deceptive or unfair practices and unfair methods of competition, pursuant to the Federal Trade Commission Act, 15 U.S.C. 41 *et seq.* In determining whether to take enforcement or other action in any particular situation, the Commission may consider to a number of factors, including the type of violation alleged; the nature and amount of consumer inquiry at issue and the number of consumers affected; and the likelihood of preventing future unlawful conduct and securing redress or other relief. As a matter of policy, the Commission does not generally intervene in individual disputes. However, letters from your constituents provide valuable information that is frequently used to develop or support Commission enforcement initiatives.

I appreciate learning of your constituent's problem, but primary jurisdiction over this issue lies with the Federal Communications Commission. Therefore, I have taken the liberty of forwarding your inquiry to the Commission for their review. I appreciate your interest in this matter, and please let us know whenever we can be of assistance.

Sincerely,

Donald S. Clark
Secretary of the Commission

cc: Director of Congressional Liaison
Federal Communications Commission
445 - 12th Street, SW
Washington, DC 20554

Richard 7154111

OLYMPIA J. SNOWE

UNITED STATES SENATOR
MAINE

3 Canal Plaza, Suite 601, Portland, Maine 04101
Telephone: (207) 874-0883
Facsimile: (207) 874-7631

FEDERAL TRADE COMMISSION
05 NOV 14 PM 3:06
CONG. CORRES. BRANCH

TO: Anna Davis

FAX: (202) 326-3585

FROM: Linda Lyon

DATE: 11/4/05

RE: Congressional Inquiry on behalf of Laura Marston

PAGES: _____ including cover sheet 15

NOTES: Thank you.

FAXED
11/4/05
Original will be sent
Linda Lyon

CONFIDENTIALITY NOTICE
The document accompanying this telecopy transition contains confidential information belonging to the sender which is legally privileged. The information is intended only for the use of the individual or entity named above. If you are not the intended recipient you are hereby notified that any disclosure, copying, distribution, or taking of any action in reliance of the comments of this telecopied information is strictly prohibited. If you have received this telecopy in error, please immediately notify us by telephone to arrange for the return of the original documents.
SUCCESSFULLY TRANSMITTED TO _____

OLYMPIA J. SNOWE
MAINE
154 RUSSELL SENATE OFFICE BUILDING
(202) 224-5344
E-Mail: Olympia@snowe.senate.gov
Web Site: http://snowe.senate.gov

United States Senate

WASHINGTON, DC 20510-1903

COMMITTEES:
COMMERCE, SCIENCE, AND TRANSPORTATION
CHAIR, FISHERIES AND COAST GUARD SUBCOMMITTEE
FINANCE
INTELLIGENCE
CHAIR, SMALL BUSINESS

November 4, 2005

Anna Davis
Director Office of Congressional Relations
Federal Trade Commission
600 Pennsylvania Avenue N.W. Room 404
Washington D.C., 20405

Dear Ms. Davis:

I am enclosing a copy of a letter and additional documentation that I recently received from Ms. Laura Marston of Portland, Maine. Would you please look into the situation as described by Ms. Marston and forward your written response to my Portland office?

If you have questions or need additional information, please feel free to contact Linda Lyon of my Portland office at (207) 874-0883.

Thank you for your time and efforts on behalf of Ms. Laura Marston.

Sincerely,

OLYMPIA J. SNOWE
United States Senator

OJS:lll
Enclosure

AUBURN
TWO GREAT FALLS PLAZA
SUITE 7B
AUBURN, ME 04210
(207) 786-2451

AUGUSTA
40 WESTERN AVENUE, SUITE 408C
AUGUSTA, ME 04330
(207) 622-8292

BANGOR
ONE CUMBERLAND PLACE, SUITE 306
BANGOR, ME 04401
(207) 945-0432

BIDDEFORD
227 MAIN STREET, SUITE 2
BIDDEFORD, ME 04005
(207) 282-4144

PORTLAND
3 CANAL PLAZA, SUITE 601
PORTLAND, ME 04101
(207) 874-0883
MAINE RELAY SERVICE
TDD 1-955-3323

PRESQUE ISLE
169 ACADEMY STREET, SUITE 3
PRESQUE ISLE, ME 04769
(207) 764-5124

IN MAINE CALL TOLL-FREE 1-800-432-1599

PRINTED ON RECYCLED PAPER

OCT 31ST 2005

When I Called SPRINT ON the end of May Requesting The Phone Be Disconnected as the Mobil was being Sold and the Bank account would be Closed on Fri May 27th.

Also gave the Maine Address for Sending the Final Bill.

IN JUNE a Check was Sent from Maine But they also ATTempted to WITHdraw from her Florida Closed ACCOUNT.

I Contacted & ~~Sent~~ a Copy of the June Bill But they Continue to add To the Balance.

IT is NOT OUR ERROR.

Laura Marston
COSTordian FOR
PHyllis Marston
(She has Aphasia (difficulty Speaking)

DisputeLtrhd-00000052-240

CollectechSystems.
Outsourcing Division

P.O. Box 4157
Woodland Hills, CA 91365
(800) 332-3866 toll free
(818) 879-2958 fax

September 12, 2005 240/f93

PHYLLIS MARSTON
IN CARE OF LAURA MARSTON
19 EIGHTH ST
PORTLAND, FL 04103 f92

Creditor Name: Sprint
Placement ID: 0163189880
Account #: 2396941220041

We have received your dispute letter for the above referenced account. In accordance with the Federal Fair Debt Collections Act, Title VIII, we have forwarded the dispute to our client, Sprint.

We have temporarily suspended collection efforts until your dispute can be validated. We will forward any documentation our client provides which demonstrates the validity of the debt.

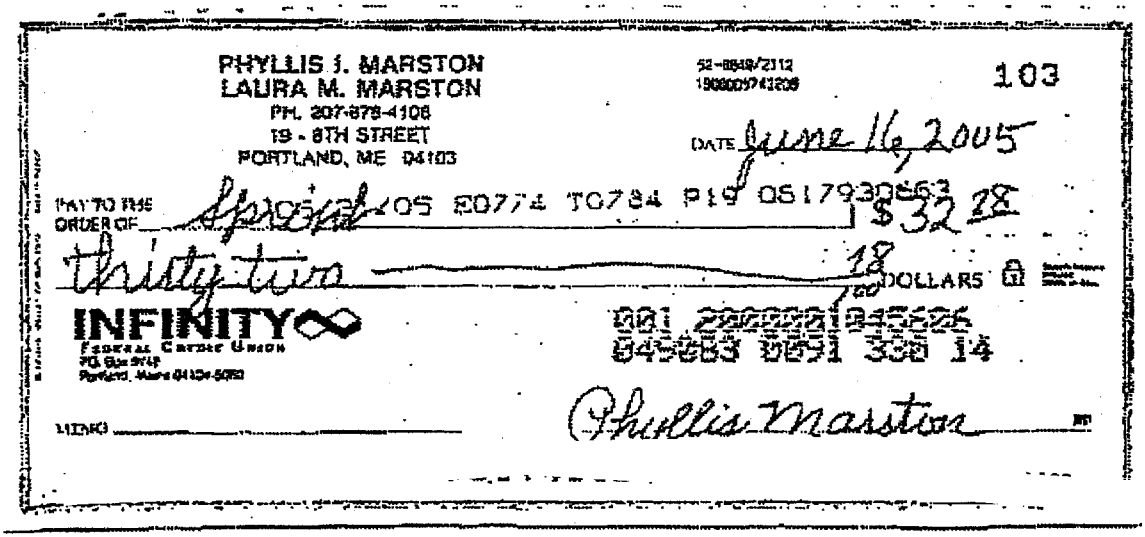
Please contact our client immediately should you have any questions.

Sincerely,

Client Services Department

Tear Here

THIS IS AN ATTEMPT TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. THIS LETTER HAS BEEN SENT TO YOU BY A COLLECTION AGENCY.



PHYLLIS J. MARSTON
LAURA M. MARSTON
PH. 207-878-4108
19 - 8TH STREET
PORTLAND, ME 04103

52-8548/2312
103

DATE June 16, 2005

PAY TO THE ORDER OF Special 205 E0774 T0784 P19 0817930863 $32.28

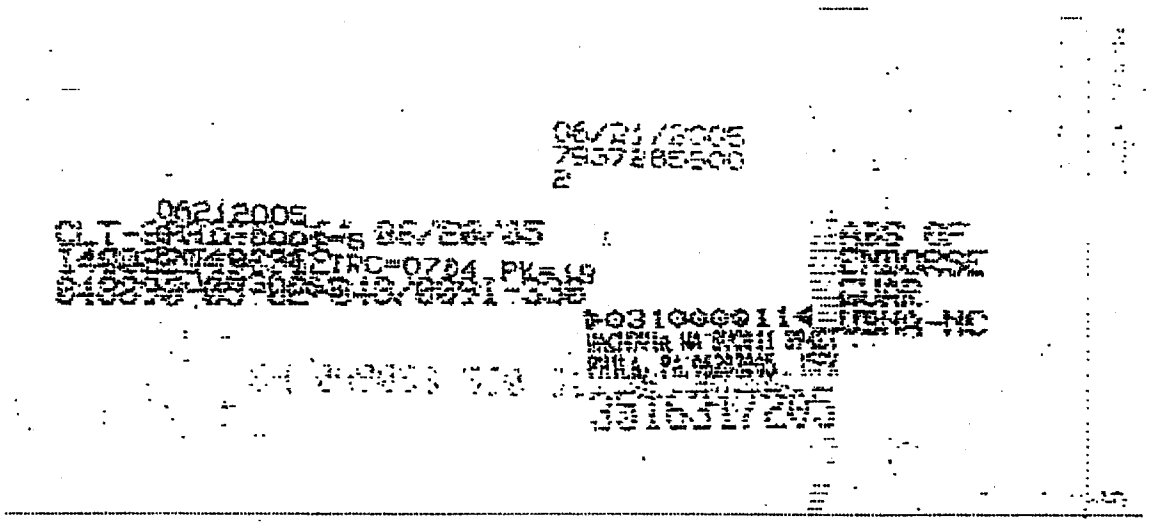
thirty-two 28/100 DOLLARS

INFINITY
Federal Credit Union
PO Box 9748
Portland, Maine 04104-5052

001 2000000184525
845883 0891 338 14

MEMO

Phyllis Marston



DW-GEN-01350258-28030
CCO/0163189880/DW-GEN

Collectech Systems, Inc.

See Consumer Rights Information on Reverse Side

Consumer Service Department:
31229 Cedar Valley Dr.
Westlake Village, CA 91362
M - F 5am to 5pm, Sat 7am to 3:30pm PST
(818) 879-2948

Client Name: **Sprint**
Amount Due: **$72.87**
Client Ref. No: 2396941220041
Placement ID: 0163189880
Contact Phone: (800)785-1606

028030/0090
011 309898366

PHYLLIS MARSTON
19 8TH ST
PORTLAND, ME 04103 1914

Notice Dated: **8/18/2005**

Collectech Systems, Inc. is a licensed collection agency. This is an attempt to collect a debt. Any information obtained will be used for that purpose.

Recently your service has been diconnected and we are contacting you regarding your amount due shown above.

If you want your existing service restored and want to avoid reconnect fees, pay this amount or resolve this account. If you have questions or need assistance regarding payment please call (800)785-1606 as soon as possible.

To ensure accurate application to your account it is important that you send your payment to Sprint using the tear-off portion below and enclosed return envelope. When this account has been resolved to Sprint's satisfaction, we will be pleased to clear this record from our active collection files.

Sprint would like to take this opportunity to thank you for your past business, and they look forward to serving you in the future. Thank you for your cooperation.

ar Here

Debtor Name: PHYLLIS MARSTON
Amount Due: **$72.87**
Client Ref. No: 2396941220041

$☐☐.☐☐

Fill in Amount Paid

Make Check Payable To:

Collectech Systems, Inc.
PO Box 361505
Columbus, OH 43231

CA1 1631898804 72876 100

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume the debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor. If your financial institution rejects and returns your payments for any reason, a service fee - the maximum allowed by your state's statutory laws - may be added to your account balance.

A menos que usted notifique a esta oficina dentro 30 días de haber recibido este aviso que usted disputa la validez de la deuda o de alguna porción de esta, esta oficina asumírá que esta deuda es valida. Si usted notifica a esta oficina por escrito dentro 30 días de haber recibido este aviso de que disputa la deuda, o cualquier porción de esta entonces esta oficina: Obtendrá verificación de la deuda y obtendrá una copia de la sentencia y enviara por correo una copia de la sentencia o verificación. Si usted solicita por escrito dentro de 30 días después de recibir este aviso, esta oficina le proveerá con el nombre y dirección del acreedor original, si este es diferente del acreedor actual. Si su institucion financiera rechasa y retorna sus pagos, por cualquier razon, habra un cargo por servicios de acuerdo al maximo autorizado por la ley del estado anadido a su cuenta.

California Residents Only

The state Rosenthal Fair Debt Collection Practices Act and the federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or www.ftc.gov.

Residentes de California Solamente

La ley estatal de California Rosenthal y la ley de Cobranza Imparical de Deudas (FDCPA) requieren que, salvo circunstancias excepcionales, cobradores no pueden hacer contacto con usted antes de las 8 de la mañana y después de las 9 de la noche. Ellos no pueden molestarle usando amenazas de violencia o de arresto o usando palabras obscenas. Los cobradores no pueden usar información falsa o engañosa o contactarle en su trabajo si ellos saben o tienen razón de saber que Ud. no puede recibir llamadas personales en el trabajo. Generalmente, los cobradores no pueden hablar con nadien, aparte de su abogado o su esposo/esposa, sobre su deuda. Los cobradores pueden hablar con otra persona para confirmar su dirección o hacer cumplir una sentencia. Para mas información sobre las actividades de cobranza, Ud. puede llamar gratis al 1-877-FTC-HELP (1-877-382-4357); o puede visitar www.ftc.gov.

Sprint.

Customer service	Internet address	Customer number
1-800-339-1811	**sprint.com/local**	**239-694-1220-041**

Sprint Local Services

Payments and credits

Payment received - June 2	-32.78
Payment received - June 20	-32.78
Total payments and credits	**-$65.56**

Check Sent June 16th > Double Billing

Detail of Charges: June 22 – July 21

Monthly Service Charges

This section provides a summary of your monthly recurring charges, including calling plans, local toll charges and calling features.

Local phone service	11.05
Total Monthly Service Charges	**$11.05**

Other Charges and Usage

This section contains miscellaneous services, adjustments and any usage based charges.

Returned check: Jun 9		32.78 §
Returned check handling fee		25.00

Usage Based Services

In-state directory assistance	1 @ .55	.55
Total Other Charges and Usage		**$58.33**

Taxes and Surcharges

This section includes federal, state, and local taxes and surcharges. For an explanation of the charges appearing in this section call 1-800-938-1172 or visit sprint.com/taxes.

Interstate access surcharge	6.45
Federal universal service fund	.72
Telecommunications relay surcharge	.15
Emergency 911 surcharge	.44
Federal tax	.57
Local Comm. Services Tax	.68
State Comm. Services Tax	.44
Total Taxes and Surcharges	**$9.45**

Get Sprint high-speed Internet for a low fixed monthly price of **$24.99** a month when you combine it with other qualifying Sprint services.
Call 1-800-Sprint3.
One year term agreement applies. Activation fees, termination fees and restrictions apply.

Enjoy 3 free months of HBO® and Showtime® when you add DISH® Network Satellite TV by 7/31/05. Get 60 channels starting at $19.99 a month. Limited time offer. Restrictions and qualifying services apply; call for details.

§ - see page 2 for explanation

Customer service	Internet address	Customer number
1-800-339-1811	sprint.com/local	239-694-1220-041

Service Changes and Carrier Selections

This section is provided to conveniently identify any changes to your account since the last bill and to confirm your carrier selections.

Summary for 239-694-1220

Current carrier selections

Local toll: Sprint
no change

Long distance: AT&T
no change

SLS End Section Tag

V3000AB PJV050G 027594 2

§ - see page 2 for explanation

P.O. Box 4157
Woodland Hills, CA 91365

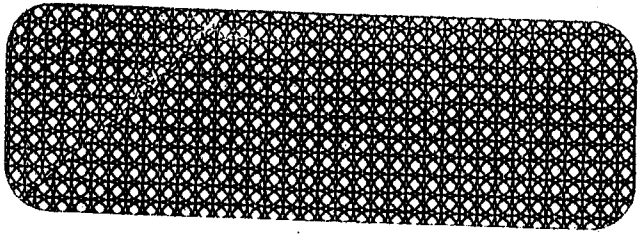
RETURN SERVICE REQUESTED

PRESORTED FIRST CLASS

UNITED STATES POSTAGE PITNEY BOWES
02 1A $ 00.35²
0004338492 SEP 13 2005
MAILED FROM ZIP CODE 91362

PERSONAL AND CONFIDENTIAL

XXO9-14-05-UN 514



SPRINT
Called Oct 12th
Hung up

GAUJSMP 0410B

AUDIT SYSTEMS INCORPORATED
3696 Ulmerton Rd. • Suite 200
Clearwater, FL 33762

Phone: (727) 571-1945
Toll Free: (866) 761-2178

North Carolina Department of
Insurance Permit Number 3239

215 - 14860907
PHYLLIS MARSTON
IN CARE OF LAURA MA
19 EIGHTH ST
PORTLAND FL 04103

Date: OCT 14 2005

Balance Due: $72.87
Creditor: SPRINT TELEPHONE
Client #: 28824142864827 81856

The above referenced account has been sent to our office for collection. This reminder is being sent in hopes that payment will be made in the enclosed envelope by return mail.

If the account is outstanding due to a billing error or other problem, please contact one of our service representatives at 1-866-761-2178 during business hours of 8:30 A.M. thru 9 P.M., Monday thru Thursday and 8:00 AM thru 4:30 PM, Friday and Saturday. Please contact us as soon as possible in order that the matter can be resolved.

This communication is from a debt collector. This is an attempt to collect a debt; any information obtained will be used for that purpose.

For important information concerning your rights, see reverse.

(QE5P)45:T000:002876:001:1000:05287:PL02:AUDT215:**Please Return This Portion With Your Payment** 215

Date: OCT 14 2005

215 - 14860907

Balance Due: $72.87
Creditor: SPRINT TELEPHONE
Client #: 28824142864827 81856

PHYLLIS MARSTON
IN CARE OF LAURA MA
19 EIGHTH ST
PORTLAND FL 04103

AUDIT SYSTEMS INCORPORATED
P.O. Box 17229
Clearwater, FL 33762

(Make sure address shows through window)

16

In accordance with federal law, you are hereby notified that:

- This communication is from a debt collector. This is an attempt to collect a debt; any information obtained will be used for that purpose.
- Unless, within thirty days after the receipt of this notice, you dispute the validity of the debt, or any portion thereof, the debt will be assumed to be valid.
- If you notify this office in writing within the thirty-day period that the debt, or any portion thereof, is disputed, we will obtain verification of the debt or a copy of the judgement and a copy of such verification will be mailed to you.
- Upon your written request within the thirty-day period, we will provide you with the name and address of the original creditor, if different from the current creditor.

Sprint®

Customer service
1-800-339-1811

Internet address
sprint.com/local

Customer number
239-694-1220-041

March

Do not send payment.

Your account will be drafted
April 2 or after: $32.11

We appreciate your business.

007175
PHYLLIS MARSTON
UNIT 301
5558 PALM BEACH BLVD
FT MYERS FL 33905-3137

Sprint
PO Box 96064
Charlotte NC 28296-0064

Start receiving your bill online

Make this the last paper bill you'll ever receive and start getting your bill online. You'll receive an email notice each month telling you your bill is available online.

Go to sprint.com/gopaperless to enroll.

Make same day payments online with check or credit card.
It's FREE.

OF049851 007175 01

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

FPSC
JAN 17 PM 2:53
COMMISSION
CLERK
FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION:

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

DATE: January 17, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to View Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Lisa Harvey be granted access to the undocketed BellSouth confidential documents filed with the Division of the Commission Clerk and Administrative Services on January 13, 2006. Please approve Lisa Harvey to have access to these records to facilitate work in a current audit. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

LSH

(00382-06)

Matilda Sanders

From: Mary Diskerud
Sent: Wednesday, January 18, 2006 1:06 PM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

8 pg.

Date and Time: 1/18/2006 1:06:00 PM
Docket Number: UNDOCKETED
Filename / Path: NPRD Comm notice.mks.doc

CCS ✓

Copied to gcorders

Mary

102
N/R. Electric
W/EC, EI, EM

Kay Flynn 060000

From: Todd Brown

Sent: Thursday, January 19, 2006 10:48 AM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Norma Jenkins; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: PSC to Hold Electric Infrastructure Workshop

A news release was distributed to the daily newspapers this morning, 1/19/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=55

State of Florida

Public Service Commission

NEWS RELEASE

January 19, 2006 **Contact: 850-413-6482**

PSC to Hold Electric Infrastructure Workshop

TALLAHASSEE — Staff of the Florida Public Service Commission (PSC) will conduct a workshop to explore options for designing and building electric utility facilities to minimize future storm damage and resulting outages to customers. Workshop objectives include identifying both short-term actions which can be implemented before the next hurricane season and longer-term actions requiring a more in-depth inquiry.

A copy of the agenda for the workshop may be accessed at **http://www.psc.state.fl.us/industry/electric_gas/ei_project.cfm**. The workshop will be held at the following time and location:

Monday, January 23, 2006
9:00 a.m.
Room 148, Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, Florida

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 4, 2006

Susan S. Masterton, Esquire
Sprint – Law/External Affairs
FLTLH00107
Post Office Box 2214
Tallahassee, Florida 32316-2214

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Masterton:

Commission staff have advised that confidential Document No. 03705-00, filed on behalf of Sprint-Florida, Incorporated, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Denise Vandiver, Division of Regulatory Compliance and Consumer Assistance
Bob Freeman, Division of Regulatory Compliance and Consumer Assistance
Office of the General Counsel

Received by: Pamela D. Kelley Date: 1-24-06

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

FPSC, CLK - CORRESPONDENCE 060000-OT

~~Administrative~~ ~~Parties~~ ~~Consumer~~

DOCUMENT NO. 03349-07

DISTRIBUTION: —

DATE: January 24, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to View Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Lisa Harvey and Tabitha Hunter be granted access to the undocketed BellSouth confidential documents filed with the Division of the Commission Clerk and Administrative Services in response to FDN and Supra's Force Majeure/Hot Cut complaint. Please approve Lisa Harvey and Tabitha Hunter to have access to these records to facilitate work in a current audit. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

LSH

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: January 24, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to View Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Lisa Harvey and Tabitha Hunter be granted access to the undocketed BellSouth confidential documents filed with the Division of the Commission Clerk and Administrative Services in response to FDN and Supra's Force Majeure/Hot Cut complaint. Please approve Lisa Harvey and Tabitha Hunter to have access to these records to facilitate work in a current audit. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

LSH

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION:

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6547)

Mr. Charles Sadler
WebLinkWireless - Network Services
3333 Lee Parkway
Dallas, Texas 75219

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Sadler:

Commission staff have advised that confidential Document No. 03443-01, filed on behalf of WebLink Wireless, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Division of Competitive Markets and Enforcement

Public Ser[redacted]
2540 Shum[redacted]
Tallahassee,[redacted]

7004 1160 0004 5750 6547

060000-OT

[CLK Note: Document Destroyed 2/20/06]

CONFIDENTIAL

MR CHARLES SADLER
WEBLINK WIRELESS - NETWORK SERVICES
3333 LEE PKWY
DALLAS TX 75219

Not deliverable as addressed
Unable to forward 75219

RECEIVED
FEB 15 2006
FPSC-COMMISSION CLERK

PRIORITY MAIL
UNITED STATES POSTAL SERVICE TM
LABEL107R, OCT 1997
www.usps.gov

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 03443-01

MR CHARLES SADLER
WEBLINK WIRELESS - NETWORK SERVICES
3333 LEE PKWY
DALLAS TX 75219

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) | B. Date of Delivery

C. Signature
X
☐ Agent
☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

FPSC, CLK - CORRESPOND
Administrative Parties Co
DOCUMENT NO. 03

DISTRIBUTION

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7004 1160 0004 5750 6547

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6523)

Patrick M. Bryan, Esquire
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Bryan:

Commission staff have advised that confidential Document No. 11487-05, filed on behalf of Florida Power & Light Company, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: David Jopling, Division of Economic Regulation

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6523)

Patrick M. Bryan, Esquire
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

FPSC, CLK - CORRESPONDENCE
☑ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: ECR

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Bryan:

Commission sta
of Florida Power & Ligl

Please do not he
material.

KF:mhl
Enclosure

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 11487-05

PATRICK M BRYAN ESQUIRE
FLORIDA POWER & LIGHT CO
700 UNIVERSE BLVD
JUNO BEACH FL 33408-0420

COMPLETE THIS SECTION ON DELIVERY

A. Received by *(Please Print Clearly)* B. Date of Delivery 1/27/6

C. Signature
X B. McCray ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7004 1160 0004 5750 6523

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

cc: David Jopling, Division of Economic Regulation

DOCUMENT NO. DATE

03349-07 1/25/06
FPSC - COMMISSION CLERK

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6509)

Matthew Feil Esquire
FDN Communications
2301 Lucien Way, Suite 200
Maitland, Florida 32751-7025

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Feil:

Commission staff have advised that confidential Document No. 10177-03, filed on behalf of Florida Digital Network, Inc. d/b/a FDN Communications, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6509)

Matthew Feil Esquire
FDN Communications
2301 Lucien Way, Suite 200
Maitland, Florida 32751-7025

FPSC, CLK - CORRESPONDENCE
☒ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO 03349-07
DISTRIBUTION: CMP

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Feil:

Commission
of Florida Digital Ne
document is enclose

Please do no
material.

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 10177-03

MATTHEW FEIL
FDN COMMUNICATIONS
2301 LUCIEN WAY STE 200
MAITLAND FL 32751-7025

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery 1-27-06

C. Signature X LSkerm ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7004 1160 0004 5750 6509

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

DOCUMENT NO. DATE
03349-07 1/25/06
FPSC - COMMISSION CLERK

STATE OF FLORIDA

COMMISSIONERS:
RUDOLPH "RUDY" BRADLEY, CHAIRMAN
J. TERRY DEASON
BRAULIO L. BAEZ
LISA POLAK EDGAR
ISILIO ARRIAGA

DIVISION OF THE COMMISSION CLERK & ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

December 28, 2005

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6400)

Matthew Feil, Esquire
FDN Communications
3980 North Orange Avenue, Suite 2000
Orlando, Florida 32801

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Feil:

Commission staff have advised that confidential Document No. 10177-03, filed on behalf of Florida Digital Network, Inc. d/b/a FDN Communications, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

(Pt 2 of 2)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 10177-03

MATTHEW FEIL ESQUIRE
FDN COMMUNICATIONS
3980 N ORANGE AVE STE 2000
ORLANDO FL 32801

COMPLETE THIS SECTION ON DELIVERY

A. Received by *(Please Print Clearly)* | B. Date of Delivery

C. Signature
X ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7004 1160 0004 5750 6400

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

State of Florida
Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

7004 1160 0004 5750 6400

2301 Lucien Way #200
Maitland FL 32751-7083

MATTHEW FEIL ESQUIRE
FDN COMMUNICATIONS
3980 N ORANGE AVE STE 2000
ORLANDO FL 32801

RECEIVED
JAN 18 2006
FPSC-COMMISSION CLERK

US POSTAGE 04738004132

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6516)

Paul Turner, Esquire
Supra Telecommunications
& Information Systems, Inc.
2620 Southwest 27th Avenue
Miami, Florida 33133

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Turner:

Commission staff have advised that confidential Document No. 08188-03, filed on behalf of Supra Telecommunications & Information Systems, Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK & ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6516)

Paul Turner, Esquire
Supra Telecommunications
& Information Systems, Inc.
2620 Southwest 27th Avenue
Miami, Florida 33133

FPSC, CLK - CORRESPONDENCE
☒ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Turner:

Commission staf
of Supra Telecommunic
document is enclosed.

Please do not hes
material.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 08188-03

PAUL TURNER ESQUIRE
SUPRA TELECOMMUNICATIONS
& INFORMATION SYSTEMS INC
2620 SW 27TH AVE
MIAMI FL 33133

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) | B. Date of Delivery: 2/13

C. Signature: X ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7004 1160 0004 5750 6516

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

DOCUMENT NO. DATE
03349-07 1/25/06
FPSC - COMMISSION CLERK

(PAGE 1 OF 2)

STATE OF FLORIDA

COMMISSIONERS:
RUDOLPH "RUDY" BRADLEY, CHAIRMAN
J. TERRY DEASON
BRAULIO L. BAEZ
LISA POLAK EDGAR
ISILIO ARRIAGA

DIVISION OF THE COMMISSION CLERK & ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

December 28, 2005

Paul Turner, Esquire
Supra Telecom
1311 Executive Center Drive, Suite 220
Tallahassee, Florida 32301-5027

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Turner:

Commission staff have advised that confidential Document No. 08188-03, filed on behalf of Supra Telecommunications and Information Systems, Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

(P+2 of 2)

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1763)

Michelle A. Robinson, Assistant Vice President
Verizon – Regulatory Affairs
FLTC0616
Post Office Box 110
Tampa, Florida 33601-0110

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Robinson:

Commission staff have advised that confidential Document No. 07768-03, filed on behalf of Verizon Florida, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1763)

Michelle A. Robinson, Assistant Vice President
Verizon – Regulatory Affairs
FLTC0616
Post Office Box 110
Tampa, Florida 33601-0110

FPSC, CLK ... CORRESPONDENCE
☒ Administrat... ☐ Consumer
DOCUMENT ... 03349-07
DISTRIBUTIO... CMP

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Robinson:

Commission staf
behalf of Verizon Florida

Please do not hes
material.

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 07768-03

MICHELLE A ROBINSON ASST VICE PRES
VERIZON - REGULATORY AFFAIRS
FLTC0616
PO BOX 110
TAMPA FL 33601-0110

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) | B. Date of Delivery

C. Signature
X ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

JAN 30 2006
TAMPA FL 33601

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7004 1160 0004 5751 1763

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

DOCUMENT NO. DATE
03349-07 1/25/06
FPSC - COMMISSION CLERK

STATE OF FLORIDA

COMMISSIONERS:
RUDOLPH "RUDY" BRADLEY, CHAIRMAN
J. TERRY DEASON
BRAULIO L. BAEZ
LISA POLAK EDGAR
ISILIO ARRIAGA

DIVISION OF THE COMMISSION CLERK & ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

December 28, 2005

(CERTIFIED MAIL NO. 7004-1160-0004-5750-6417)

Michelle A. Robinson, Assistant Vice President
Verizon – Regulatory Affairs
FLTC0616
One Tampa City Center
Tampa, Florida 33601-0110

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Robinson:

Commission staff have advised that confidential Document No. 07768-03, filed on behalf ofVerizon Florida, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement

(P+2of2)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 01168-03

MICHELLE A ROBINSON ASST VICE PRES
VERIZON - REGULATORY AFFAIRS
FLTC0616
ONE TAMPA CITY CENTER
TAMPA FL 33601-0110

COMPLETE THIS SECTION ON DELIVERY

A. Received by *(Please Print Clearly)* | B. Date of Delivery

C. Signature

X ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7004 1160 0004 5750 6417

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

MICHELLE A ROBINSON ASST VICE PRES
VERIZON - REGULATORY AFFAIRS
FLTC0616
ONE TAMPA CITY CENTER
TAMPA FL 33601-0110

UNDELIVERABLE AS ADDRESSED
UNABLE TO FORWARD
RETURN TO SENDER

7004 1160 0004 5750 6417

2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED-FPSC
06 JAN 11 AM 10:09
COMMISSION
CLERK

US POSTAGE
$05.11
12/28/2005
Mailed From 32399

Matilda Sanders

From: Mary Diskerud
Sent: Thursday, January 26, 2006 9:32 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

7 pgs

Date and Time: 1/26/2006 9:31:00 AM
Docket Number: undocketed
Filename / Path: NPRD Comm NOtice.mks.doc

Re-copied to gcorders

Mary

9417

State of Florida

Public Service Commission

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

DATE: January 26, 2006

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: UNDOCKETED WORKSHOP HELD 01/23/06.

RE: ELECTRIC UTILITY INFRASTRUCTURE WORKSHOP.

DOCUMENT NOs. 00774-06, 01-26-06
00775-06, 01-26-06

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

JF/rlm

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 25, 2006

Ms. Nancy Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, Florida 32301-1556

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Sims:

Commission staff have advised that confidential Document No. 05240-01, filed on behalf of BellSouth Telecommunications, Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Lisa Harvey, Division of Competitive Markets and Enforcement

Received by: _____ **Date:** 1/27/06

Kay Flynn

060000

From: Kay Flynn
Sent: Tuesday, January 31, 2006 8:48 AM
To: Paula Isler; Ray Kennedy
Subject: RE: 08733-05

Thanks!

From: Paula Isler
Sent: Tuesday, January 31, 2006 8:46 AM
To: Ray Kennedy; Kay Flynn
Subject: RE: 08733-05

There is no action required by Records or CMP. GE's IXC registration, TI162, was cancelled effective 12/31/04 in Docket No. 041255-TI. A new registration, TJ965, was acknowledged in the name of Business Productivity Solutions a Minnesota Corporation, Inc. in the same docket.

From: Ray Kennedy
Sent: Tuesday, January 31, 2006 7:49 AM
To: Kay Flynn
Cc: Paula Isler
Subject: RE: 08733-05

It appears they are seeking cancellation. I have copied Paula on this response as we did receive the filing electronically in September. Paula may know something about this. Paula if you need the e-mail from September, let me know.

Kay, do not open a docket until Paula has a chance to look at it. She will let us know. I remember GE selling all its assets last year or the year before.

From: Kay Flynn
Sent: Monday, January 30, 2006 4:26 PM
To: Ray Kennedy
Subject: 08733-05

Ray, pls take a look at the attached PDF. Should we have opened a docket last year to acknowledge this company's IXC cancellation? Should we open one now?

Kay

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

FPSC, CLK - CORRESPONDENCE
Administrative Review Consumer

DOCUMENT NO. 03349-07
DISTRIBUTION: —

DATE: February 1, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to View Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Lisa Harvey and Sue Ollila be granted access to the undocketed BellSouth confidential documents filed with the Division of the Commission Clerk and Administrative Services on January 31, 2006 in response to a letter sent by Lisa Harvey on January 11, 2006. The subject of the response deals with allegations made by Mr. Kelly Sayers. Please approve Lisa Harvey and Sue Ollila to have access to these records to facilitate work in response to the allegations. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

(Conf. DN 0944-06)

LSH

(1)

NANCY B. WHITE
General Counsel-Florida

BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301
(305) 347-5558

2006 FEB -1 AM 11:09

DIVISION OF
COMPETITIVE SERVICES

January 31, 2006

Blanca S. Bayo
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Complaint Concerning BellSouth's Small Business Office in Sunrise, Florida

Dear Ms. Bayo:

Attached are BellSouth's responses to the specific questions contained in the Commission letter of January 11, 2006 concerning the above matter. BellSouth, pursuant to Section 364.183(3), Florida Statutes and Rule 25-22.006, Florida Administrative Code, hereby makes a claim of confidentiality for its responses to the Staff's requests. The responses contain proprietary confidential business information.

BellSouth is conducting a full investigation of the allegations made by Mr. Sayers. That investigation is ongoing. When the investigation is complete, BellSouth will apprise the Staff of any appropriate information.

Sincerely,

Nancy B. White

Nancy B. White

Cc: Lisa Harvey

(2)

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 FEB -6 PM 3:04
COMMISSION CLERK

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

060000-OT

DATE: February 3, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Richard A. Moses, Chief of Telecommunications Service Quality Certification and Enforcement, Division of Competitive Markets & Enforcement

FPSC-CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-06
DISTRIBUTION: CLK; CMP

RE: Request to View Certain Confidential Materials

Pursuant to the Administrative Procedures Manual, Section 11.04, I request that Penelope Davis, Engineering Specialist III, Division of Competitive Markets & Enforcement, and Clayton Lewis, Engineering Specialist III, Division of Competitive Markets & Enforcement, be granted access to any Local Exchange Carriers' (LECs') Schedule 8 from its Periodic Report that has been claimed confidential.

The use of these documents will be to determine the LECs' compliance with FPSC Rule 25-4.0185 and for future planning of service evaluations. Any confidential information reviewed will be treated in accordance outlined in the Administrative Procedures Manual, section 11.04-6.

Please contact me if you have any questions.

CC: Kay B. Flynn, Chief of Records, Division of the Commission Clerk & Administrative Services

Marguerite H. Lockard, Commission Deputy Clerk II, Division of the Commission Clerk & Administrative Services

Della E. Fordham, Administrative Assistant II, SES, Division of Competitive Markets & Enforcement

State of Florida

Public Service Commission

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

DATE: February 10, 2006

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: UNDOCKETED WORKSHOP HELD 02/01/06.

RE: WATER RATE DESIGN WORKSHOP.

DOCUMENT NO. 01166-06, 02-10-06

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

JF/rlm

Matilda Sanders

From: Mary Diskerud
Sent: Monday, February 13, 2006 10:43 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

1 pg

Date and Time: 2/13/2006 10:42:00 AM
Docket Number: Undocketed
Filename / Path: Request for comments.mks.doc

CCS ✓

Distributrion is Electric IOUs and all persons on mailing list for dockets ending in EI.

Mary

All Electric + NR/E + see Listed Dkts.

148/39

+ NW/E 44/6
02/16/06

Matilda Sanders

From:	**Mary Diskerud**
Sent:	**Monday, February 13, 2006 10:43 AM**
To:	**CCA - Orders / Notices**
Subject:	**Order / Notice Submitted**
Date and Time:	**2/13/2006 10:42:00 AM**
Docket Number:	**Undocketed**
Filename / Path:	**Request for comments.mks.doc**

1 pg

ccs ✓

Distributrion is Electric IOUs and all persons on mailing list for dockets ending in EI.

Mary

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

FPSC-CLK-CORRESPONDENCE
-M-E-M-O-R-A-N-D-U-M- Administrative Parties Consumer
060000-OT DOCUMENT NO. 03349-07

DATE: February 15, 2006
DISTRIBUTION: —

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to View Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Lisa Harvey, Carl Vinson, and Sue Ollila be granted access to the undocketed BellSouth confidential documents brought to the office of the Division of the Commission Clerk and Administrative Services by Sue Ollila on February 15, 2006 (BellSouth incorrectly sent its confidential documents directly to Lisa Harvey). The documents, consisting of a paper memo and two CDs, are in response to a letter sent by Lisa Harvey on January 24, 2006. The subject of the response deals with allegations made by an anonymous BellSouth technician. Please approve Lisa Harvey, Carl Vinson, and Sue Ollila to have access to these records to facilitate work in response to the allegations. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

LSH

(Conf. DN 01309-06)

Kimberley Pena 060000

From: Adam Teitzman
Sent: Thursday, February 16, 2006 3:46 PM
To: Kimberley Pena
Subject: Request for Subpoena duces tecum w/o depo

'hom: BellSouth Telecommunications, Inc. care of Nancy White

me and Date: Wed. Feb. 22nd by 5 pm.

'hat they need to bring: A response to the following inquiry:

ease explain Ms. Doris Moss' employment status, pay status, and retirement benefit status with BellSouth from January, 2002 to ıte.

torney to contact: Richard Melson, General Counsel

ıank you for your assistance.....

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE:
Ms. Doris Moss

SUBPOENA DUCES TECUM WITHOUT DEPOSITION

THE STATE OF FLORIDA

TO Ms. Nancy White, BellSouth Telecommunications, Inc., 150 South Monroe Street, Suite 400, Tallahassee, FL 32301.

YOU ARE COMMANDED to appear at the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399, on Wednesday, February 22nd, 2006, by 5:00 p.m., or at such other time and place as may be mutually agreed upon by counsel, and to have with you at that time and place a response to the following inquiry:

Please explain Ms. Doris Moss' employment status, pay status, and retirement benefit status with BellSouth from January 2002 to date.

These items will be inspected and may be copied at that time. You will not be required to surrender the original items. You may comply with this subpoena by providing legible copies of the items to be produced to the attorney whose name appears on this subpoena on or before the scheduled date of production. You may mail or deliver the copies to the attorney whose name appears on this subpoena and thereby eliminate your appearance at the time and place specified above. You have the right to object to the production pursuant to this subpoena at any time before production by giving written notice to the attorney whose name appears on this subpoena. THIS WILL NOT BE A DEPOSITION. NO TESTIMONY WILL BE TAKEN.

YOU ARE SUBPOENAED by the following attorney to (1) appear as specified, or (2) furnish the records instead of appearing as provided above, and, unless excused from this subpoena by this attorney or the Commission, you shall respond to this subpoena as directed.

DATED on February 16, 2006.

Blanca S. Bayó, Director
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission

(SEAL)

By: _____
Kay Flynn, Chief, Bureau of Records

Richard Melson, General Counsel
2540 Shumard Oak Boulevard, Tallahassee,
Florida 32399-0850
Attorney for
Florida Public Service Commission

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 FEB 16 AM 10:06
COMMISSION CLERK

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

060000-OT

DATE: February 16, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to View Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Lisa Harvey, Carl Vinson, Tripp Coston and Brenda Merritt be granted access to the undocketed Verizon confidential documents filed with the Division of the Commission Clerk and Administrative Services on February 14, 2006. The subject of the response deals with the company's claim of confidentiality on the *Review of Pole Inspection and Maintenance Practices of BellSouth, Sprint, and Verizon.* Any confidential information reviewed will be treated in accordance with the procedures in the APM.

Document # 1276-06 and 1277-06

LSH

FPSC, CLK - CORRESPONDENCE
Administrative__Parties__Consumer
DOCUMENT NO. 03349-06
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TALLAHASSEE, FLORIDA 32399-0850

FPSC-CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION:

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

060000-OT

DATE: February 16, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to Review Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Lisa Harvey, Carl Vinson and Tabitha Hunter be granted access to the undocketed BellSouth confidential documents titled Hot Cut Status Report. This report will be filed with the Division of the Commission Clerk and Administrative Services every two weeks. The first report was filed Febraury 14, 2006 and is document number 01271. Please approve Lisa Harvey, Carl Vinson and Tabitha Hunter to have access to these records as they are filed to facilitate work requirements. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

RECEIVED-FPSC
06 FEB 16 AM 10:13
COMMISSION
CLERK

State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-06
DISTRIBUTION:

DATE: February 16, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement DM for BWS

RE: Request to Review Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Dale Mailhot, Lisa Harvey, Carl Vinson and Lynn Fisher be granted access to the undocketed BellSouth confidential response to staff's informal data request regarding hurricane preparedness. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

RECEIVED-FPSC
06 JUN 16 PM 12:51
COMMISSION
CLERK

Matilda Sanders

From: Janice Banka
Sent: Friday, February 17, 2006 12:45 PM
To: CCA - Orders / Notices; Sandy Moses
Subject: Order / Notice Submitted

4 pgs

Date and Time: 2/17/2006 12:42:00 PM
Docket Number: Undocketed - Implementation of Section 366.91, Florida Statutes, Concerning Standard Offer Contracts for Renewable Energy Resources.
Filename / Path: 2006/renewable workshop notice.doc
Notice Type: Workshop

ccs ✓

Notice of Staff Workshop.

Number of pages in Notice - 4.

Thanks "J"

Janice R. Banka
Deputy Clerk
Florida Public Service Commission
Office of the General Counsel
Economic Regulation Section
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
850-413-6210 (voice)
850-413-6211 (fax)
jbanka@psc.state.fl.us

EIS
MCD N/H, NKW

5/17 OPC's faxed

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

FPSC-CLK-CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03399-07
DISTRIBUTION: —

060000-OT

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

DATE: February 24, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to Review Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Carl Vinson, Tripp Coston, Jerry Hallenstein, and David Rich be granted access to the undocketed BellSouth, Sprint, or Verizon *confidential documents* associated with the ongoing Review of Pole Inspection and Maintenance Practices of BellSouth, Sprint, and Verizon. Please approve Carl Vinson, Tripp Coston, Jerry Hallenstein, and David Rich to have access to these records as they are filed to facilitate work requirements. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

060000

IA

Kay Flynn

From: Todd Brown

Sent: Friday, February 24, 2006 3:10 PM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: Commission to Take Up Electric Issues Monday

A news release was distributed to the daily newspapers this afternoon, 2/24/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=65

State of Florida

Public Service Commission

NEWS RELEASE

February 24, 2006 **Contact: 850-413-6482**

Commission to Take Up Electric Issues Monday

TALLAHASSEE — Accelerating tree trimming schedules and replacing wooden supports with concrete and steel for high voltage electric lines are among the issues the Florida Public Service Commission will take up at its Internal Affairs meeting February 27.

The five-member Commission is exploring short-term and long-term options to minimize damages like those experienced by ratepayers in the 2004 and 2005 hurricane seasons. Among the measures the Commission will consider are requirements for investor-owned electric utilities to clear vegetation from transmission and distribution lines in three-year cycles and to replace wooden support structures for high-voltage lines with stronger materials.

The Commission will also consider strengthening electric infrastructure to withstand Category 3 hurricane wind speeds of up to 130 mph and the merits of placing electric lines underground.

The Commission sponsored a workshop January 23, 2006, to investigate ways of minimizing damage for hurricanes and reducing the duration of customer outages. Workshop participants included local government officials, utility representatives and technical experts. Information obtained from the workshop provides the basis of the staff recommendations the Commission will discuss Monday.

A copy of the Internal Affairs agenda is available on the Commission's website.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Kay Flynn 060000

From: Todd Brown

Sent: Monday, February 27, 2006 4:29 PM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: Electric System Strengthening Initiatives Approved

A news release was distributed to the daily newspapers this afternoon, 2/27/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=66

State of Florida

Public Service Commission

NEWS RELEASE

February 27, 2006 **Contact: 850-413-6482**

Electric System Strengthening Initiatives Approved

TALLAHASSEE — The impending 2006 hurricane season will find Florida better prepared to deal with issues affecting electric transmission and distribution based on actions outlined by the Florida Public Service Commission Monday.

At the onset of the 2006 hurricane season, all electric service providers, including municipals and co-operatives, will brief the Commission on the status of their hurricane preparations.

The five-member Commission reviewed a series of short-term and long-term options to strengthen the state's electric system, minimize damage and reduce future recovery costs.

Investor-owned utilities will file ongoing implementation plans addressing accelerated tree trimming cycles, structural integrity of lines and poles and coordination with local governments. The utilities will also spell out how they plan to deal with the storm recovery process.

Commission Chairman Lisa Polak Edgar said each utility will need to include cost estimates with their implementation plans. "The question of who pays is something we will have to address not just now, but down the road."

In addition, the Commission directed its staff to explore construction standards that will lead to a more durable electric system and to analyze the cost and reliability effects of placing electric lines underground.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M- FPSC, CLK - CORRESPONDENCE

060000-OT

Administrative ___ Parties ___ Consumer

DOCUMENT NO. 03349-06

DISTRIBUTION: —

DATE: February 27, 2006

TO: Kay B. Flynn, Chief of Records, Division of the Commission Clerk & Administrative Services

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

RE: Regulatory Assessment Fees

Several companies have requested that confidential treatment be given to regulatory assessment fee forms filed with the commission. Requests for refunds, as well as other inquiries, require staff to review these confidential documents.

Please allow these staff members to review regulatory assessment fee forms that have been afforded confidential treatment:

Dale Mailhot
Rick Wright
Chris Holman

RECEIVED-FPSC
06 FEB 27 PM 3:21
COMMISSION
CLERK

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: February 27, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Toni J. McCoy, Regulatory Analyst II, Division of Competitive Markets & Enforcement

RE: CTC Communications Corp., TJ225 and TX554

Please add the attached correspondence undocketed filings.

Ray Kennedy and I agree that there is no need to open a docket on this matter.

Please call if you have any questions. I can be reached at 413-6532.

Thank you.

RECEIVED-FPSC
06 FEB 27 PM 2:37
COMMISSION
CLERK

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

1200 19TH STREET, N.W.

SUITE 500

WASHINGTON, D.C. 20036

(202) 955-9600

FACSIMILE

(202) 955-9792

www.kelleydrye.com

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AFFILIATE OFFICES

JAKARTA, INDONESIA

MUMBAI, INDIA

MELISSA CONWAY

DIRECT LINE: (202) 955-9667

EMAIL: mconway@kelleydrye.com

February 23, 2006

VIA UPS

Florida Public Service Commission
Attn: Toni McCoy
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Informational Filing Regarding a Change in Ownership of an Authorized Telecommunications Provider in connection with a Merger

Dear Ms. McCoy:

CTC Communications Group, Inc. ("CTC"), CTC Communications Corp. ("CTC Communications"), and Choice One Communications Inc. ("Choice One") (collectively, the "Parties") hereby respectfully notify the Florida Public Service Commission ("Commission") of a change of control of a telecommunications provider.

As described more fully below, pursuant to the terms of an Agreement and Plan of Merger ("Merger Agreement") between CTC and Choice One, CTC will merge with and into Choice One (the "Merger"), with 50 percent of the outstanding capital stock of the surviving corporation ("Surviving Corporation") being owned by Columbia Ventures Broadband, LLC ("CVB") and the remaining 50 percent of the outstanding capital stock of the Surviving Corporation being owned by the stockholders of Choice One at the time of closing (the "Transaction"). Thus, upon completion of the Transaction, Surviving Corporation, the name of which has yet to be determined, will be the new parent of CTC Communications in Florida.

This change in ultimate control does not involve a transfer of operating authority, assets, or customers. Immediately following the consummation of the Transaction, CTC Communications will continue to offer the same services at the same rates, terms, and conditions pursuant to existing authorizations and tariffs. Accordingly, the contemplated Transaction will be generally transparent to consumers. The only change will be that CTC Communications will be under control of Surviving Corporation. As CTC Communications is not affected by the

Transaction, the Parties do not believe that prior Commission approval is required for the Transaction.[1]

In connection with this Notification, the Parties provide the following information:

THE PARTIES

CTC AND CTC COMMUNICATIONS

CTC is a Delaware corporation with headquarters at 220 Bear Hill Road, Waltham, Massachusetts 02451. CTC is a wholly owned subsidiary of CVB, which is, in turn, a wholly owned subsidiary of Columbia Ventures Corporation ("CVC"). CVB, a Washington state limited liability company, is a holding company. CVC, a Washington state corporation, owns and operates a portfolio of telecommunications companies and a small number of manufacturing businesses around the world. CVC is authorized to provide domestic interstate and international telecommunications services pursuant to Section 214 authorizations from the Federal Communications Commission, but neither CVC nor CVB provide telecommunications services. A U.S. citizen, Mr. Kenneth D. Peterson, Jr., holds 100 percent of the ownership interest in CVC. Mr. Peterson is Chairman of the Board of CTC and Chief Executive Officer, Chairman and Founder of CVC. He is also the sole manager of CVB. The address of CVB, CVC, and Mr. Peterson is 203 Park Plaza Drive, Suite 270, Vancouver, Washington 98684.

CTC Communications, a Massachusetts corporation, is a subsidiary of CTC. CTC Communications is a privately held company with a principal business office located at 220 Bear Hill Road, Waltham, Massachusetts 02451. CTC Communications provides telecommunications services to medium and large businesses predominantly in the Northeast and Mid-Atlantic regions.[2] Service offerings include local, long distance, and toll free telephony services; post-paid calling card services; conference calling; frame relay, private line, DSL, VPN, ATM; Internet access, webmail and converged services. Where possible, CTC Communications provides its services using its broadband, IP-based network known as the PowerPath® Network.

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1 CTC Communications will not sell or otherwise dispose of its franchise, facilities or system and CTC Communications does not propose to merge or consolidate its works and system with those of another carrier in connection with the Transaction. CTC Communications will continue to operate pursuant to its same name, operating authorities and tariffs as at present. There will be no transfer of certificates or customers. *See also* Florida Statute §364.337(2) which eliminates the application of §364.33 to competitive local exchange carriers.

2 CTC Communications is authorized to provide interexchange telecommunications services virtually nationwide and provides intrastate telecommunications services in Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, New Jersey, Delaware, District of Columbia, West Virginia and Maryland. In Virginia, intrastate telecommunications services are provided by CTC Communications of Virginia, Inc.

The PowerPath® Network uses Cisco network infrastructure and a redundant fiber optic backbone (8,200 fiber miles). This network consists of ATM switches as well as transmission facilities that it obtains from other telecommunications carriers. In addition, CTC Communications operates a more traditional circuit switch-based network and provide service by reselling the local and interexchange telephony services of other telecommunications carriers.

In Florida, CTC Communications is authorized to provide intrastate telecommunications services.[3] CTC Communications is also authorized by the Federal Communications Commission to provide both interstate and international telecommunications services.

CHOICE ONE

Choice One, a Delaware corporation, has headquarters at 100 Chestnut Street, Suite 600, Rochester, New York 14604.[4] The Choice One Subsidiaries are common carriers that provide communications and information services to small and medium sized businesses in the Northeast and Midwest regions. The Choice One Subsidiaries' service offerings include local exchange services, long distance services, Internet access (including DSL), and web hosting, design, and development services. The Choice One Subsidiaries provide their services using TDM, ATM and a broadband packet-based network that includes an extensive fiber optic backbone. In addition, the Choice One Subsidiaries provide service by reselling, to a limited extent, the local and interexchange telephony services of other telecommunications carriers.

DESIGNATED CONTACTS

The designated contacts for questions concerning this Notification are:

FOR CTC AND CTC COMMUNICATIONS	FOR CHOICE ONE
James P. Prenetta, Jr. Senior Vice President and General Counsel CTC Communications Corp. 220 Bear Hill Road Waltham, MA 02451 (781) 522-8773 (telephone) (781) 522-8711 (facsimile) James.Prenetta@ctcnet.com	Roger W. Byrd Senior Vice President and General Counsel Choice One Communications, Inc. 100 Chestnut Street, Suite 600 Rochester, NY 14604 (585) 530-2708 (telephone) (585) 697-7805 (facsimile) RByrd@choiceonecom.com

3 *See* Docket No. 010037-TX, Order No. PSC-01-0952-CO-TX, April 17, 2001 (TX554) (ALEC); Docket No. 990185-TI, Order No. PSC-99-1208-CO-TI, June 16, 1999 (TJ225).

4 Choice One is authorized to operate pursuant to authority held by its subsidiaries in Connecticut, Illinois, Indiana, Maine, Massachusetts, Michigan, New Hampshire, New York, Ohio, Pennsylvania, Rhode Island and Wisconsin. These subsidiaries are collectively referred to as the "Choice One Subsidiaries."

With copy to: Melissa Conway Kelley Drye & Warren LLP 1200 19th Street, N.W., Suite 500 Washington, DC 20036 (202) 955-96667 (telephone) (202) 955-9792 (facsimile) mconway@kelleydrye.com	Cherie R. Kiser Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. 701 Pennsylvania Ave. NW, Suite 900 Washington, D.C. 20004 (202) 434-7300 (telephone) (202) 434-7400 (facsimile) ckiser@mintz.com

DESCRIPTION OF THE TRANSACTIONS

Pursuant to the terms of the Merger Agreement and following the receipt of the necessary regulatory approvals, among other things, CTC will merge with and into Choice One, with the surviving corporation from the merger, Surviving Corporation, surviving. The new name of Surviving Corporation has yet to be determined. Post-Transaction, CTC Communications will be a subsidiary of Surviving Corporation. Diagrams showing the current and proposed corporate structure of the Parties are provided in *Exhibit A*.

After consummation of the Transaction, 50 percent of the outstanding capital stock of Surviving Corporation will be owned by CVB and the remaining 50 percent of the outstanding capital stock will be held by the stockholders of Choice One at the time of closing. Some time following the closing, CVB may obtain up to an additional 20 percent of the voting stock, on a fully diluted basis, of Surviving Corporation. As a result, CVB may obtain majority control of Surviving Corporation. In other words, CVB will hold between 50 percent and 70 percent of Surviving Corporation, and the stockholders of Choice One will hold between 30 percent and 50 percent of Surviving Corporation.[5] CVB is already the parent of CTC, CTC Communications, and, at some point after closing of the Transaction, may be the majority owner of Surviving Corporation. The Commission has already reviewed and passed on CVB's qualifications to be a parent of a telecommunications utility in connection with the original certification request of CTC Communications, which is incorporated herein by reference.[6] If CVB becomes the majority owner of Surviving Corporation, there will be no impact on the customers of CTC Communications.

The proposed Transaction, including the possible acquisition of additional voting stock of Surviving Corporation by CVB, will be transparent to customers in Florida. In particular, the

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5 The additional percentage acquired may be less than 20 percent, but will not exceed 20 percent.

6 *See* Docket No. 010037-TX, Order No. PSC-01-0952-CO-TX, April 17, 2001 (TX554) (ALEC); Docket No. 990185-TI, Order No. PSC-99-1208-CO-TI, June 16, 1999 (TJ225). CVB has the necessary managerial, technical, and financial capabilities to gain majority control of Surviving Corporation.

Transaction will not result in a change of carrier for any customer.[7] Immediately after completion of the Transaction, CTC Communications will continue to offer the same services at the same rates, terms and conditions as at present and any further changes in the rates, terms and conditions of services will be made consistent with Commission requirements. The Transaction is not expected to result in any discontinuance of service for any customer of CTC Communications.[8]

PUBLIC INTEREST STATEMENT

The Parties respectfully submit that the Transaction serves the public interest. Immediately after consummation of the Transaction, CTC Communications will continue to offer service under the same name and operating authority at present in Florida. The Transaction involves no change in the entity offering service to customers, the facilities used to provide such service, or the services, rates, terms and conditions of such service. All existing tariffs will remain in place at this time. The Transaction will be transparent to consumers in Florida and will not have any adverse impact on them.

Further, the Transaction will serve the public interest because American consumers will benefit from the operation of an enhanced CTC Communications in Florida. The enhancement of CTC Communications will increase the scope of CTC Communications and should enable CTC Communications to compete more effectively in the highly competitive market for telecommunications services. The enhanced CTC Communications will be able to operate more efficiently and thus realize substantial financial synergies that should enable CTC Communications to increase its operating income and free cash flow. Given the difficulties with which the competitive telecommunications industry is now struggling, the enhancement of CTC Communications in Florida in this manner would benefit American consumers.

---

7 In connection with the Transaction, CTC Communications may seek authority to utilize a d/b/a in Florida. If this is the case, upon receipt of the necessary documents from the Florida Secretary of State, the Commission will be notified of the use of the d/b/a in Florida. Any filing required in connection with the use of a d/b/a in Florida will be made at that time.

8 The Transaction does not raise slamming concerns, and does not otherwise necessitate compliance with the procedures prescribed by the Federal Communications Commission, *see* 47 C.F.R. § 64.1120(e), or by the Commission for notification of customers prior to a carrier-to-carrier sale or transfer of a carrier's subscriber base.

The Parties submit that no Commission approval is required for the Transaction described herein. An original and fifteen (15) copies of this filing are enclosed. Enclosed please also find a duplicate copy of this filing and a self-addressed, postage-paid envelope. Please date-stamp the duplicate upon receipt and return it in the envelope provided. Should the Commission have any questions, please contact Melissa Conway at (202) 955-9667.

Respectfully submitted,

CHOICE ONE COMMUNICATIONS INC.

Cherie R. Kiser
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
701 Pennsylvania Ave. NW
Suite 900
Washington, D.C. 20004
Tel: (202) 434-7300
Fax: (202) 434-7400
ckiser@mintz.com

Its Attorney

CTC COMMUNICATIONS GROUP, INC. AND CTC COMMUNICATIONS CORP.

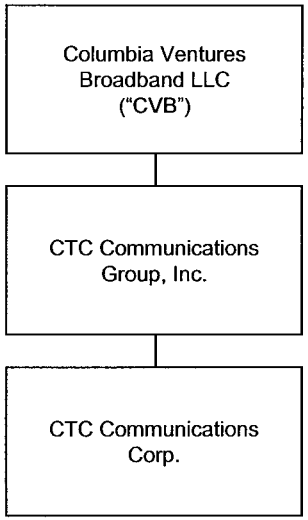
Joan M. Griffin
Erin W. Emmott
Melissa Conway
KELLEY DRYE & WARREN LLP
1200 19th Street, NW, Suite 500
Washington, DC 20036
Tel: (202) 955-9667 (telephone)
Fax: (202) 955-9792 (facsimile)
mconway@kelleydrye.com

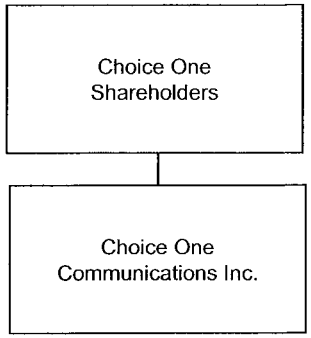
Their Counsel

EXHIBIT A

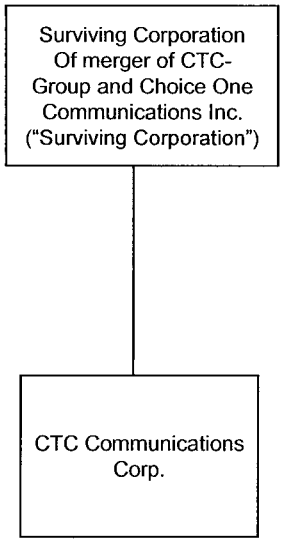
CORPORATE STRUCTURE

Current Corporate Structure





Post Merger Corporate Structure



At Closing, the shares of the Surviving Corporation will be owned 50% by Columbia Ventures Broadband LLC and 50% by the existing Shareholders of Choice One at the time of the closing.

VERIFICATION

I, Roger W. Byrd, am Senior Vice President and General Counsel of Choice One Communications Inc. and am authorized to represent it and its affiliates, and to make this verification on their behalf. The statements in the foregoing document relating to Choice One Communications Inc., and its affiliates, except as otherwise specifically attributed, are true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Roger W. Byrd
Senior Vice President and General Counsel
Choice One Communications Inc.

Subscribed and sworn to before me this 20th day of February, 2006.

Notary Public

My Commission expires: August 4, 2007

Adam M. Michael
Notary Public, State of New York
No. 02MI6096749
Qualified in Monroe County

VERIFICATION

I, James P. Prenetta, Jr., am Vice President, Secretary and General Counsel of CTC Communications Group, Inc., and am authorized to represent it and its affiliates, and to make this verification on their behalf. The statements in the foregoing document relating to CTC Communications Group, Inc., and its affiliates, except as otherwise specifically attributed, are true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

James P. Prenetta, Jr.,
Vice President, Secretary and General Counsel
CTC Communications Group, Inc.

Subscribed and sworn to before me this 15th day of February 2006.

Notary Public

MEGAN JANE LOWE
Notary Public
Commonwealth of Massachusetts
My Commission Expires
October 16, 2009

My Commission expires: 10/16/09

060000-OT

Florida Municipal Power Agency

Jody Lamar Finklea
Assistant General Counsel | Manager of Legal Affairs

February 28, 2006

RECEIVED-FPSC
06 FEB 28 PM 4:52
COMMISSION
CLERK

VIA HAND DELIVERY

Ms. Connie Kummer
Chief of Certification & Tariffs
Division of Economic Regulation
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard, Room 115
Tallahassee, Florida 32399-0850

Re: FOR FILING

Tariff Sheet Revisions, City of Bushnell

Dear Ms. Kummer:

This letter is submitted pursuant to part IV of Rule Chapter 25-9 of the *Florida Administrative Code*.

Enclosed please find four copies of the following revisions to the Bushnell tariff sheets:

a) First Revised, No. 13.0;
b) Original Sheet No. 13.0.1.

Please note that we are not including legislative copies of these revisions as the City of Bushnell is only replacing long outdated forms and is not making line-by-line changes to its tariff sheets.

RECEIVED & FILED
FPSC-BUREAU OF RECORDS

P.O. Box 3209 | Tallahassee, FL 32315-3209
2061 - 2 Delta Way | Tallahassee, FL 32303
T. (850) 297-2011 | Toll Free (877) 297-2012
F. (850) 297-2014 | www.fmpa.com

Please acknowledge receipt of these documents by signing and dating the enclosed additional copy of this letter, as indicated.

If you have questions or need for clarification, please do not hesitate to contact me.

Very truly yours,

Jody Lamar Finklea
Assistant General Counsel and Manager of Legal Affairs

cc: Susan Noell, City of Bushnell
(VIA U.S. MAIL, Without Enclosures)

Received By: _____
(Signature)

_____
(Print Name)

Date: _____

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

February 20, 2006

Ms. Nancy Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, Florida 32301-1556

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Sims:

Commission staff have advised that Confidential Document No. 00762-06, filed on behalf of BellSouth Telecommunications, Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Christopher L. Holman, Division of Competitive Markets and Enforcement

RECEIVED _____ **DATE** 3/1/06

Kay Flynn 060000

From: Todd Brown

Sent: Friday, March 03, 2006 4:46 PM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: PSC Staff to Discuss Renewable Energy

A news release was distributed to the daily newspapers this afternoon, 3/3/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=67

State of Florida

Public Service Commission

NEWS RELEASE

March 3, 2006 **Contact: 850-413-6482**

PSC Staff to Discuss Renewable Energy

TALLAHASSEE — Promoting the development of renewable energy resources and creating a more balanced fuel supply for Florida will be the focal point of discussions between the state's investor-owned electric utilities, representatives from the renewable generation sector, and Florida Public Service Commission (PSC) staff on Monday, March 6.

In December, Commissioners directed staff to conduct a workshop to address recent legislation and explore opportunities to promote the growth of renewable generation.

Renewable energy sources are divided into several broad categories: *solar*, *wind*, *water*, *biomass,* and *hydrogen.* Florida's renewable electric production is largely derived from municipal solid waste (MSW), biomass materials such as agricultural and wood waste used as fuel in boilers, and waste heat recovered from industrial manufacturing processes. In Florida, renewable resources provide approximately three percent of the state's electricity. These resources have the potential to minimize the volatility of fuel costs and help diversify fuel types, easing Florida's growing dependence on natural gas for electric production.

Information obtained at this workshop may be used by the Commission when considering future contracts for the purchase of renewable generation. The workshop will be held at the following time and location:

Monday, March 6, 2006
9:30 a.m.
Betty Easley Conference Center, Room 148
4075 Esplanade Way
Tallahassee, Florida
###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Kay Flynn 060000

From: Todd Brown

Sent: Tuesday, March 07, 2006 4:36 PM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: PSC Number Conservation Efforts Paying Off

A news release was distributed to the daily newspapers this afternoon, 3/7/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=68

State of Florida

Public Service Commission

NEWS RELEASE

March 7, 2006 **Contact: 850-413-6482**

PSC Number Conservation Efforts Paying Off

TALLAHASSEE — A series of telephone number conservation measures implemented by the Florida Public Service Commission (PSC) are paying off. Conservation initiatives have resulted in the issuance to carriers of 13.5 million fewer numbers since 1999, meaning fewer consumers will have to face the expense and inconvenience of changing area codes.

The Commission initiated thousands-block number pooling, allowing phone numbers to be allocated to service providers in blocks of 1,000, instead of the historical 10,000. In addition, the Commission took back unused blocks of numbers from carriers who did not assign the numbers to customers.

The effect of the actions taken by the Commission is the extension of the viability of Florida's existing area codes by anywhere from two to 11 years. Because of population growth, the proliferation of cell phones and dial-up Internet services, Florida has seen the number of area codes expand from four in 1994 (305, 407, 813 and 904) to the current 17.

Area Code	2002 Estimated Exhaust Date	2005 Estimated Exhaust Date
239	2017	2019
305/786	2008	2019
305	2003	2009
321	2021	2024
352	2012	2016
386	2020	2026
407/321	2007	2009
561	2008	2018
727	2015	2017
772	2026	2029
813	2008	2016
850	2008	2010
863	2015	2020
904	2011	2016
941	2011	2021
954/754	2019	2021

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

State of Florida

Public Service Commission

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

DATE: March 7, 2006

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. UNDOCKETED, ITEM #3, INTERNAL AFFAIRS - HELD 02/27/06.

RE: ELECTRIC UTILITY INFRASTRUCTURE WORKSHOP FOLLOW-UP: STAFF RECOMMENDATIONS FOR FURTHER ACTION.

DOCUMENT No.: 01926-06, 03/06/06

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

JF/rlm

State of Florida

Public Service Commission

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

DATE: March 7, 2006

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. UNDOCKETED, ITEM #5, INTERNAL AFFAIRS - HELD 02/27/06.

RE: PROPOSED STRATEGY REGARDING FUTURE LIFELINE AND LINK-UP INITIATIVES.

DOCUMENT No.: 01927-06, 03/06/06

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, CMP

Acknowledged BY:

JF/rlm

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: March 8, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement
Patrick K. Wiggins, Attorney Supervisor, Office of the General Counsel PKW

RE: Access to Confidential Document No. 01939-06

APM 11.04.C.6.a.(3) requires that staff obtain written approval by their Division Director/Office Head, with a copy to CCA to access confidential information filed in undocketed matters. The following staff are approved to access Document No. 01939-06 filed by BellSouth in response to a subpoena from the Florida Public Service Commission:

Ray Kennedy
Lee Eng Tan
Kira Scott
Toni McCoy

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP CDC

cc: Della Fordham

Matilda Sanders

From: Kimberley Pena
Sent: Thursday, March 16, 2006 8:02 AM
To: Matilda Sanders; Dorothy Menasco
Cc: Kay Flynn
Subject: RE: Order / Notice Submitted

2pg

CCS ✓

Ladies, please bring this to me directly when ready to be issued. Thanks.

From: Kay Flynn
Sent: Thursday, March 16, 2006 7:56 AM
To: Mary Diskerud; Matilda Sanders; Kimberley Pena
Subject: FW: Order / Notice Submitted
Importance: High

5 ~~6~~ 5

5 1 6

Mary, please re-do this notice using the macro so we can issue it asap.

Also, please change the location address by spelling out Florida and deleting the zip code.

Kim, pls check with me abt the distribution when we get this back. It is a bit different.

Thanks all.

Kay

From: Matilda Sanders
Sent: Thursday, March 16, 2006 7:48 AM
To: Kay Flynn
Subject: FW: Order / Notice Submitted

Fyi..

From: Mary Diskerud
Sent: Wednesday, March 15, 2006 4:42 PM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Copied to gcorders. Distribution is Electric (EI), Telephone (TL - Verizon, BellSouth and Sprint only)

Mary MCD Electric Workshop Company code

Kay Flynn

From: Kay Flynn
Sent: Tuesday, March 21, 2006 3:42 PM
To: Martha Golden
Cc: Bev DeMello; Kira Scott; Bob Casey; Curtis Williams; Ruth Nettles; Kimberley Pena
Subject: RE: Lifeline Workshop Notice - fax numbers needed

Will do.

From: Martha Golden
Sent: Tuesday, March 21, 2006 3:40 PM
To: Kay Flynn
Cc: Bev DeMello; Kira Scott; Bob Casey; Curtis Williams
Subject: RE: Lifeline Workshop Notice - fax numbers needed

Kay, please send the Lifeline Workshop notice to these people too. Thank you!

Mr. Charles E. Milsted
Associate State Director
AARP
200 West College Avenue
Tallahassee, Florida 32301

Ms. Linda G. Dilworth
Chief Operating Officer
KMR Consultants, LLC
3065 Highland Oaks Terrace
Tallahassee, Florida 32301

Mr. Ariel A. Garcia-Linares
Account Supervisor
IAC Group
2725 SW 3rd Avenue
Miami, Florida 33129

From: Martha Golden
Sent: Monday, March 20, 2006 4:14 PM
To: Kay Flynn
Cc: Bev DeMello; Kira Scott; Bob Casey; Curtis Williams
Subject: RE: Lifeline Workshop Notice - fax numbers needed

Kay, here are the agency addresses. (Bob and Curtis, you included some other consultants on your original email. I don't have addresses for those, so you may want to provide those to Kay as well. It's up to you.)

Ms. Linda Champion
Deputy Commissioner
Florida Department of Education
325 West Gaines Street

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

RECEIVED-FPSC
06 MAR 28 AM 8:13
COMMISSION CLERK

DATE: March 23, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Sally A. Simmons, Chief of Telecom Arbitrations and Tariffs, Division of Competitive Markets & Enforcement SAS

FPSC, CLK - CORRESPONDENCE
Administrative___Parties___Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CLK; CMP CDC

RE: Request to View Certain Confidential Materials

Pursuant to the Administrative Procedures Manual, Section 11.04, I request that Jeff Bates, Research Assistant, Division of Competitive Markets & Enforcement, be granted access to any Local Exchange Carrier's (LEC's) Schedule 8 from its Periodic Report that has been claimed confidential.

The use of these documents will be to determine the total access lines per company and the percent of the state total for each company, and growth over the previous year. Any confidential information reviewed will be treated in accordance with the Administrative Procedures Manual, section 11.04.C.

Please contact me if you have any questions.

CC: Kay B. Flynn, Chief of Records, Division of the Commission Clerk & Administrative Services

Marguerite H. Lockard, Commission Deputy Clerk II, Division of the Commission Clerk & Administrative Services

Della E. Fordham, Administrative Assistant II, SES, Division of Competitive Markets & Enforcement

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

March 27, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1831)

Jean Parker, Manager
Working Assets – Legal Affairs
101 Market Street, Suite 7000
San Francisco, California 94105

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Parker:

Commission staff have advised that Confidential Document No. 06500-05, filed on behalf of Working Assets, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Melinda Watts, Division of Competitive Markets and Enforcement
Penelope Davis, Division of Competitive Markets and Enforcement

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

March 27, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1831)

Jean Parker, Manager
Working Assets – Legal Affairs
101 Market Street, Suite 7000
San Francisco, California 94105

FPSC, CLK - CORRESPONDENCE
☒ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Parker:

Commission staff
Working Assets, can be re

Please do not he
material.

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 06500-05

JEAN PARKER MANAGER
WORKING ASSETS - LEGAL AFFAIRS
101 MARKET ST STE 7000
SAN FRANCISCO CA 94105

COMPLETE THIS SECTION ON DELIVERY

A. Received by *(Please Print Clearly)* — B. Date of Delivery: 4-3-06
C. Signature: X ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7004 1160 0004 5751 1831

PS Form 3811, March 2001 — Domestic Return Receipt — 102595-01-M-1424

KF:mhl
Enclosure

cc: Melinda Watts, Division of Competitive Markets and Enforcement
Penelope Davis, Division of Competitive Markets and Enforcement

DOCUMENT NO. DATE

03349-07 3/27/06
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

DATE: March 27, 2006

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. UNDOCKETED, WORKSHOP HELD 03/06/06.

RE: IMPLEMENTATION OF SECTION 366.91, FLORIDA STATUTES, CONCERNING STANDARD OFFER CONTRACTS FOR RENEWABLE ENERGY RESOURCES.

DOCUMENT No.: 02347-06, 03/17/06, 146 Pages

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

JF/rlm

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

March 27, 2006

Ms. Nancy Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, Florida 32301-1556

Re: Return of Confidential Documents to the Source (Undocketed)

Dear Ms. Sims:

Commission staff have advised that Confidential Document Nos. 00944-06, 01273-06, and 02277-06, filed on behalf of BellSouth Telecommunications, Inc., can be returned to the source. The documents are enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Lisa S. Harvey, Division of Competitive Markets and Enforcement

RECEIVED _____ **DATE** 3/29/06

ECR | Kummer

Florida Municipal Power Agency

Jody Lamar Finklea
Assistant General Counsel | Manager of Legal Affairs

VIA HAND DELIVERY

RECEIVED-FPSC
06 MAR 30 AM 8:15
COMMISSION
CLERK

March 29, 2006

Ms. Connie Kummer
Chief of Certification & Tariffs
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd., Room 115
Tallahassee, FL 32399-0850

060000

Re: City of Mt. Dora, Florida – Tariff Sheet Revisions for filing

Dear ~~Mrs. Kummer~~ Connie:

This letter is submitted pursuant to part IV of Rule Chapter 25-9 of the *Florida Administrative Code*.

Enclosed please find four copies, and one legislative copy, of the following revisions to the Mt. Dora tariff sheets:

a) First Revised Sheet No. 4.4;
b) First Revised Sheet No. 5.1;
c) First Revised Sheet No. 6.0;
d) First Revised Sheet No. 7.0;
e) First Revised Sheet No. 8.1;
f) First Revised Sheet No. 9.0;
g) First Revised Sheet No. 10.0.

Also enclosed is a copy of a memo from the City's Director of Public Works and Utilities, Gary V. Hammond that addresses the Power Cost Adjustment (PCA) and the Consumer Price Index (CPI) increase. The memo was discussed and approved by the Mt. Dora City Council at its regular public meeting on March 7, 2006

P.O. Box 3209 | Tallahassee, FL 32315-3209
2061 - 2 Delta Way | Tallahassee, FL 32303
T. (850) 297-2011 | Toll Free (877) 297-2012
F. (850) 297-2014 | www.fmpa.com

Please acknowledge receipt of the referenced documents by signing and dating the enclosed copy of this letter, as indicated.

If you have any questions or need for clarification, please do not hesitate to contact me.

Very truly yours,

Jody Lamar Finklea
Assistant General Counsel and Manager of Legal Affairs

cc: Mr. Charles Revell (VIA U.S. Mail, Without Enclosures)

Received by: Kay Flynn
Signature

Kay Flynn
Print Name

Date: 3/30/06

060000-OT

ORIGINAL

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

06 APR -3 AM 11:40

COMMISSION CLERK

Public Service Commission

March 31, 2006

Ms. Margaret Like
3891 Rodeo Drive
Sebring, Florida 33875

Re: Complaint Case No. 680198W - Margaret Like- Wastewater Blockage/Backed up

Dear Ms. Like:

This letter is to inform you that your complaint, the case list above, has been transferred to the Division of Economic Regulation. To initiate its investigation, staff will contact you for further information which we believe will enable us to expedite this case and bring it to a timely conclusion. We appreciate your cooperation in this matter and if I you have any questions; please contact me (Gerald D. Edwards) at (850) 413-7001.

Sincerely,

Gerald D. Edwards
Engineering Specialist III

cc: Division of Economic Regulation (Rendell, Willis)
Division of Regulatory Compliance and Consumer Assistance (Hicks)
Office of the Commission Clerk and Administrative Services

ORIGINAL 060000-OT

STATE OF FLORIDA

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

06 APR -3 AM 11:40
COMMISSION CLERK

Public Service Commission

March 31, 2006

Country Club of Sebring
3035 Wynstone Drive
Sebring, Florida 33875-4745

Re: Complaint Case No. 680198W - Margaret Like- Wastewater Blockage/Backed up

Dear Mr. R. Greg Harris

This letter is to inform you that the case number list above has been transferred to the Division of Economic Regulation. To initiate its investigation, staff will contact you for further information which we believe will enable us to expedite this case and bring it to a timely conclusion. We appreciate your cooperation in this matter and if I you have any questions; please contact me (Gerald D. Edwards) at (850) 413-7001.

Sincerely,

Gerald D. Edwards
Engineering Specialist III

cc: Division of Economic Regulation (Rendell, Willis)
Division of Regulatory Compliance and Consumer Assistance (Hicks)
[redacted]

Kay Flynn 060000

From: Todd Brown

Sent: Monday, April 03, 2006 2:42 PM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: PSC Moves to Intervene in FP&L Group Merger

A news release was distributed to the daily newspapers this morning, 4/3/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=70

State of Florida

Public Service Commission

NEWS RELEASE

April 3, 2006 **Contact: 850-413-6482**

PSC Moves to Intervene in FP&L Group Merger

TALLAHASSEE — The Florida Public Service Commission moved to intervene in a federal proceeding Monday regarding a proposed merger between FPL Group, Inc. and Constellation Energy.

FP&L Group is the parent company of Florida Power & Light, Inc., the state's largest retail electric provider with more than 4 million customer accounts.

"Intervention is the best way to monitor proceedings before the Federal Energy Regulatory Commission (FERC) so that Florida's ratepayers are not adversely affected by this merger," Commission Chairman Lisa Polak Edgar said. "This will allow the Commission to tap into the huge flow of information between the companies and the FERC and gain additional information as to the potential impact to FP&L customers and to Florida."

By intervening in the FERC proceedings, the agency will have the ability to scrutinize confidential documents filed in connection with the merger to independently verify assertions that the proposed merger holds no surprises for Florida customers. Should questions emerge from the filings, the PSC as an intervener could address those issues before the FERC.

The proposed merger was filed February 9, 2006, with a request for approval by June 15, 2006.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Kay Flynn

060000

From: Todd Brown

Sent: Thursday, April 06, 2006 3:52 PM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: PSC Staff to Address Link-Up and Lifeline Efforts

A news was distributed to the daily newspapers this morning, 4/6/06, and is available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=73

State of Florida

Public Service Commission

NEWS RELEASE

April 6, 2006 **Contact: 850-413-6482**

PSC Staff to Address Link-Up and Lifeline Efforts

TALLAHASSEE — Examining current efforts and exploring initiatives to increase the success of Link-Up Florida and Lifeline Assistance will be the focus of discussions between eligible telecommunications carriers (ETCs), government agencies, other interested parties, and Florida Public Service Commission (PSC) staff on Tuesday, April 11.

In February, Commissioners directed staff to conduct a workshop to address Florida's ongoing Link-Up and Lifeline goals and outreach efforts, how to increase enrollment in Lifeline, and to identify any barriers which may discourage or prevent people from enrolling in Lifeline.

"It is critical that Floridians are able to maintain contacts with emergency services, medical providers, and family members," Commissioner Matthew M. Carter said. Our goal "is to reach out with a hand-up for those in need."

The goals of Link-Up and Lifeline programs, are to ensure quality telecommunications services are available to low-income consumers at just, reasonable, and affordable rates. This includes the goals of not only assisting low-income consumers with initial access to the telephone network, but also assisting consumers with maintaining service. Link-Up Florida provides a reduction of up to 50 percent in the telephone hook-up charge to a maximum of $30. The Lifeline Assistance program provides a credit of $13.50 for local monthly phone service.

The workshop will be held at the following time, date and location:

Tuesday, April 11, 2006
9:00 a.m.
Betty Easley Conference Center, Room 148
4075 Esplanade Way
Tallahassee, Florida

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Kay Flynn 060000

From: Todd Brown

Sent: Friday, April 07, 2006 11:41 AM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: Commission to Host Economic Development Workshop

A news release was distributed to the daily newspapers this morning, 4/7/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=74

State of Florida

Public Service Commission

NEWS RELEASE

April 7, 2006 **Contact: 850-413-6482**

Commission to Host Economic Development Workshop

TALLAHASSEE — The relationship between Florida's investor-owned utilities and the state's small and medium businesses will be the focus of a Florida Public Service Commission workshop April 12, 2006.

"It's no secret that small and medium businesses are the engines that drive our economy, generating a vast number of new jobs and employing a majority of the workforce," Commissioner Isilio Arriaga said. "In light of this, I believe we should encourage economic development wherever possible and our utilities are an integral part of that initiative."

The purpose of the workshop is to identify ways in which the large investor-owned utilities contribute to economic development in the state, with specific focus on the efforts of the utilities to procure services from small businesses.

Invited speakers include:

- Commissioner Harold D. Williams, of the Maryland Public Service Commission and chairman of the Utility Market Access Partnership.
- John Adams, president of Enterprise Florida.
- Windell Page, executive director, Office of Supplier Diversity, Florida Department of Management Services.

The workshop begins at 1:30 p.m. in Room 148 of the Betty Easley Conference Center in Tallahassee.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Iatilda Sanders

From: Mary Diskerud
Sent: Monday, April 10, 2006 11:11 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 4/10/2006 11:10:00 AM
Docket Number: undocketed
Filename / Path: Lifeline Notice.smc.doc

3 pg

Copied to gcorders. Industry distribution - All Local Exchange Telephone (TL)

Mary

4/13.

Kay Flynn 060000

From: Todd Brown

Sent: Tuesday, April 11, 2006 5:00 PM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Bridget Hoyle; Cameron Cooper; Carlotta Stauffer; Carol Purvis; Cayce Hinton; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Hurd Reeves; Isilio Arriaga; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; Jeremy Susac; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Linda Duggar; Lisa Edgar; Manuel Arisso; Margaret Hilton; Marjorie Cooper; Martha Golden; Mary Bane; Mary Macko; Matthew Carter; Pat Dunbar; Patsy White; Rhonda Hicks; Richard Tudor; Rick Melson; Roberta Bass; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tim Devlin; Todd Brown; Veronica Washington; William C. Garner

Subject: Florida Public Service Commission Partners with Local Organizations to Promote Energy Conservation in a Pre-Earth Day Celebration

A news release was distributed to the daily newspapers this afternoon, 4/11/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=75

State of Florida
Public Service Commission
NEWS RELEASE

April 11, 2006 **Contact: 850-413-6482**

Florida Public Service Commission Partners with Local Organizations to Promote Energy Conservation in a Pre-Earth Day Celebration

TALLAHASSEE — The Florida Public Service Commission (PSC) will premiere its conservation video, *Turn It On; Turn It Off*, at 11 a.m., Thursday, April 13, at the Mary Brogan Museum of Art and Science, in recognition of Earth Day. Local elementary school students will be special guests for the premiere.

Guest speakers will include PSC Chairman Lisa Polak Edgar; Tallahassee Mayor John Marks; Chucha Barber, Executive Director of the Brogan Museum; and Principal Alan Cox and his "starring cast" from Chiles High School in Tallahassee.

Chairman Edgar will discuss how children can help conserve energy. Chiles High School drama students star in the video and will be on hand to share what they have personally learned through this experience. The students originally performed the play for several Leon County schools during Energy Awareness Month in October 2005.

"We're pleased that the Mary Brogan Museum will feature our *Turn It On; Turn It Off* video in its ongoing Energy Exhibit that will be seen by many visitors," said Chairman Edgar. "We also look forward to promoting our conservation program in schools throughout Florida as a result of our partnership with WFSU and Chiles High School."

She added, "Even small changes help, and we all can work together to manage our families' energy costs."

For more information contact Bev DeMello or Thelma Crump of the PSC at 850-413-6480, and visit the Earth Day website at www.earthday.net.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

ORIGINAL

RECEIVED-FPSC
06 APR 12 AM 10:22
COMMISSION
CLERK

HARVEY ROSE
1769 Tarpon Bay Dr. S.
Naples, FL 34119

April 8, 2006

Director
Division of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

060000

Subj. Sprint Late Payment Charge

CMP 1
COM
CTR
ECR
GCL 1
OPC
RCA
SCR
SGA
SEC
OTH

Dear Sir/Madam:

Florida Power & Light imposes a late payment charge of 1.5% if your bill is not paid within 20 days.

TECO imposes a late payment fee of 1.5% if your bill is not paid within 20 days.

Collier County Utilities (water) just says "payments received after this date (due date) shall be subject to penalty charges". They don't say what the penalty will be.

The enclosed Sprint statement imposes a late fee of 17% on my $23.29 charge! How do they get away with such a high late fee?

Sincerely,

DISTRIBUTION CENTER
2006 APR 12 AM 9:30

Sprint

Monthly statement: March 25, 2006

Customer service	Internet address	Customer number
1-800-339-1811	**sprint.com/local**	**239-596-2568-911**

Summary of Current Charges

	Total
Monthly Service Charges	14.30
Other Charges and Usage	-.50
Taxes and Surcharges	10.30
Total Current Charges	**$24.10**

Previous credit	-.81
Payment	.00
Credit applied	-.81

Total Due: **$23.29**

Date Due: **Apr 15, 2006**

27.29
-23.29
4.00

4.00 / 23.27 = 17%

Please recycle

NNNYNNNY 3

Please return this portion with payment.

Sprint®

Customer service	Internet address	Customer number
1-800-339-1811	**sprint.com/local**	**239-596-2568-911**

Date due: **April 15, 2006**

Total amount due: **$23.29**

$27.29 if received after April 25.

Amount enclosed: _____

Write your 13-digit customer number on check.
Make checks payable to:

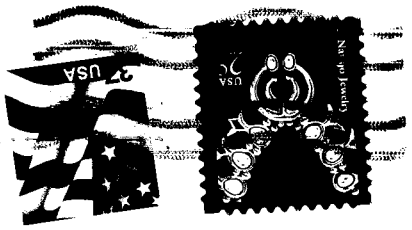
Sprint
PO Box 96064
Charlotte NC 28296-0064

**********AUTO** MIXED AADC 327
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HARVEY AND SALLY ROSE
6 HEATHWOOD LN

FORT MYERS FL 339

10 APR 2006 PM 5 L



Director
Division of the Commission
Florida Public Service Comm.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

32399+7019

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: April 17, 2006

TO: Kay B. Flynn, Chief of Records, Division of the Commission Clerk & Administrative Services

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

RE: Request to Review Confidential Document 03335-06

Please allow Cheryl Bulecza-Banks, Shevie Brown, and Bob Casey to review confidential document 03335-06 which is a listing of customers who will be required to change telephone numbers during the BellSouth St. Johns boundary realignment. Thank you.

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO: 03349-07
DISTRIBUTION: CMP

cc: Dale Mailhot
Cheryl Bulecza-Banks
Bob Casey
Shevie Brown

Kay Flynn 060000

From: Todd Brown
Sent: Wednesday, April 19, 2006 3:43 PM
To: All PSC Staff; Commission Suite
Subject: PSC Introduces Its Conservation House Internet Page

A news release was distributed to the daily newspapers this morning, 4/19/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=77

State of Florida

Public Service Commission

NEWS RELEASE

April 19, 2006 **Contact: 850-413-6482**

PSC Introduces Its Conservation House Internet Page

TALLAHASSEE — Saving money on utility bills is as easy as a trip to the Internet.

The Florida Public Service Commission has unveiled the PSC Conservation House Web page, an interactive tool for helping to educate consumers on ways to reduce monthly utility charges.

Recent utility bill increases, caused by the escalating cost of fossil fuels used to produce electricity, have customers seeking ways to conserve energy and save on their natural gas and electric bills. The Conservation House, is accessible through the **Commission's website**.

Visitors to the Conservation House website can pick up money saving tips such as improving insulation, using compact fluorescent light bulbs, and installing a programmable thermostat.

"It has never been more important for Florida utility customers to take control of their energy use," Chairman Lisa Polak Edgar said. "The Conservation House gives customers information they can use to make the most of every dollar they spend on utility service."

For additional information on the PSC Conservation House, contact Bev DeMello or Dick Durbin at 850/413-6480.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Matilda Sanders 060000

From: larsen [julial@mail.istal.com]
Sent: Monday, April 24, 2006 6:56 PM
To: Filings@psc.state.fl.us
Subject: RE: Price List Revisions for Tallahassee Telephone Exchange, Inc.

Thanks, I thought this was the price list and not tarriff. This is for resale price list. Do we have to submit the paper copy to you next time? Thanks,
---------- Original Message ----------
From: "Filings@psc.state.fl.us" <Filings@PSC.STATE.FL.US>
Date: Tue, 18 Apr 2006 10:31:31 -0400

>Good morning, Ms. Larsen. I am following up on your electronic filing
>which was processed here on Monday 4/17/06. Because your filing
>consisted of tariff pages, it actually was not eligible for electronic
>filing. However, because it was processed, it has been accepted as a
>filing.
>
>Please see the PSC's Electronic Filings Requirements on our Website
>(click on the "e-filings how to" button in the lower right area of the
>page) and follow these instructions on any future filings you submit
>electronically.
>
>Call or e-mail me if questions.
>
>Kay Flynn
>CCA-Records
>850-413-6744
>kflynn@psc.state.fl.us
>
>_____
>
>From: julia [mailto:julial@istal.com]
>Sent: Friday, April 14, 2006 7:46 PM
>To: Filings@psc.state.fl.us
>Cc: julial@istal.com
>Subject: Price List Revisions for Tallahassee Telephone Exchange, Inc.
>
>
>Please replace the current price list, pages 2, 15, 16, & 17.
>Please see the revisions for those pages.
>Thanks,
>s/julia larsen
>
>

Sent via the WebMail system at mail.istal.com

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

April 19, 2006

Ms. Nancy Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, Florida 32301-1556

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Sims:

Commission staff have advised that Confidential Document No. 01939-06, filed on behalf of BellSouth Telecommunications, Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Beth Salak, Division of Competitive Markets and Enforcement

RECEIVED _____ **DATE** 4/26/06

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: April 24, 2006

TO: Kay B. Flynn, Chief of Records, Division of the Commission Clerk & Administrative Services

FROM: Beth W. Salak, *Director, Division of Competitive Markets & Enforcement*

RE: Request to Review Confidential Document 03571-06

Please allow Cheryl Bulecza-Banks, Shevie Brown, and Bob Casey to review confidential document 03571-06 which is a compact disc listing of customers who will be required to change telephone numbers during the BellSouth St. Johns boundary realignment. Thank you.

FPSC, CLK - CORRESPONDENCE
Administrative__ Parties__ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

cc: Dale Mailhot
Cheryl Bulecza-Banks
Bob Casey
Shevie Brown

Kay Flynn 060000

From: Jeff Bates
Sent: Tuesday, April 25, 2006 8:40 AM
To: 'julial@mail.istal.com'
Cc: Kay Flynn; Sally Simmons
Subject: FW: Price List Revisions for Tallahassee Telephone Exchange, Inc.

Per the PSC's Electronic Filings Requirements, noted in Kay Flynn's response below, neither tariff nor price list revisions are accepted via Electronic Filing. Revisions must be made via hard copy.

Jeff Bates
Research Assistant
Competitive Markets & Enforcement

-----Original Message-----
From: Filings@psc.state.fl.us
Sent: Tuesday, April 25, 2006 8:09 AM
To: 'julial@mail.istal.com'
Cc: Jeff Bates
Subject: RE: Price List Revisions for Tallahassee Telephone Exchange, Inc.

Good morning....I am forwarding your questions to Jeff Bates in Telecommunications for response.

Kay Flynn

-----Original Message-----
From: larsen [mailto:julial@mail.istal.com]
Sent: Monday, April 24, 2006 6:56 PM
To: Filings@psc.state.fl.us
Subject: RE: Price List Revisions for Tallahassee Telephone Exchange, Inc.

Thanks, I thought this was the price list and not tarriff. This is for resale price list. Do we have to submit the paper copy to you next time? Thanks,
---------- Original Message ----------
From: "Filings@psc.state.fl.us" <Filings@PSC.STATE.FL.US>
Date: Tue, 18 Apr 2006 10:31:31 -0400

>Good morning, Ms. Larsen. I am following up on your electronic filing
>which was processed here on Monday 4/17/06. Because your filing
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>filing.
>
>Please see the PSC's Electronic Filings Requirements on our Website
>(click on the "e-filings how to" button in the lower right area of the
>page) and follow these instructions on any future filings you submit
>electronically.
>
>Call or e-mail me if questions.

>
>Kay Flynn
>CCA-Records
>850-413-6744
>kflynn@psc.state.fl.us
>
>_____
>
>From: julia [mailto:julial@istal.com]
>Sent: Friday, April 14, 2006 7:46 PM
>To: Filings@psc.state.fl.us
>Cc: julial@istal.com
>Subject: Price List Revisions for Tallahassee Telephone Exchange, Inc.
>
>
>Please replace the current price list, pages 2, 15, 16, & 17.
>Please see the revisions for those pages.
>Thanks,
>s/julia larsen
>
>

Sent via the WebMail system at mail.istal.com

CHECK SHEET

The Sheets listed below, which are inclusive of this price list, are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original price list and are currently in effect as of the date of the bottom of this page.

SHEET	REVISION
1	Original
2	5th revision *
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	5th revision *
16	5th revision *
17	Deleted

RECEIVED-FPSC
06 APR 26 PM 4:52
COMMISSION
CLERK

CMP _____
COM _____
CTR _____
ECR _____
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC _____
OTH _____

RECEIVED & FILED
FPSC-BUREAU OF RECORDS

* Indicates pages submitted with most recent filing.

Issue Date: 4/21/2006 Effective Date: April 26, 2006

Issued by: Julia Larsen, VP,
1367 Mahan Drive, Tallahassee, FL 32308

Kay Flynn 060000

From: Todd Brown

Sent: Monday, May 01, 2006 10:43 AM

To: All PSC Staff; Commissioners & Staffs

Subject: Florida Public Service Commission Sponsors Water Conservation Programs for Schools During National Drinking Water Week

A news release was distributed this morning, 5/1/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=78

State of Florida

Public Service Commission

NEWS RELEASE

May 1, 2006 **Contact: 850-413-6482**

Florida Public Service Commission Sponsors Water Conservation Programs for Schools During National Drinking Water Week

TALLAHASSEE — To recognize the vital role water plays in our daily lives, the Florida Public Service Commission (PSC), the City of Tallahassee, and Leon County Schools have teamed up to promote National Drinking Water Week, May 7-13, by sponsoring school assembly programs that celebrate the wonder of water.

The Tallahassee Young Actors Theatre drama team will perform an original play, *Water Wiser*, for students at three area schools on May 2nd and 3rd. The play follows two drops of water as they inform a boy how he can make a difference by conserving.

Special guests will attend each of the school assemblies, offering water conservation tips. On May 2, Leon County School Board member Maggie Lewis will be at Apalachee Elementary, while Jim Oskowis, General Manager of the City of Tallahassee Water Department will be at Buck Lake Elementary. On May 3, PSC Commissioner Katrina J. Tew and School Board member Joy Bowen will present water conservation tips and talk with the students at Griffin Middle School.

"Sometimes we don't really think about the importance of our drinking water," said PSC Commissioner Katrina Tew. "Through our collaborative effort with the City and Leon County Schools, we're encouraging students to think about where our drinking water comes from, to understand why conservation is important for our future water supply, and to develop conservation habits early."

Drinking Water Week school program times and dates are:

Tuesday, May 2

Apalachee Elementary, 650 Trojan Trail - 8:00, 8:45, and 9:30 a.m.

Buck Lake Elementary, 1600 Pedrick Road - 12:20, 1:15, and 2:00 p.m.

Wednesday, May 3

Griffin Middle, 800 Alabama Street - 9:00 and 9:45 a.m.

For more information, contact Bev DeMello or Thelma Crump at 850-413-6480, or visit the American Water Works Association Web site at www.awwa.org/advocacy/dww.

###

K[redacted] Bloom, Director, Office of Public Informa[redacted]
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Progress Energy

ORIGINAL

RECEIVED-FPSC
06 MAY -4 PM 12:50
COMMISSION
CLERK

May 4, 2006

Ms. Blanca S. Bayó, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

060000

Re: FERC Electric Quarterly Report Filing

Dear Ms. Bayó:

Attached is a paper copy of the Electric Quarterly Report for the 1st quarter of 2006 filed at FERC by Florida Power Corporation, d/b/a Progress Energy Florida, Inc. (PEF) on April 26, 2006. PEF is required to file this information each quarter in response to FERC Order No. 2001. Please contact me if you have any questions.

Sincerely,

Paul Lewis, Jr.
Director, Florida Regulatory Affairs

CMP _____
COM _____
CTR _____
ECR _____ PL:cas
GCL All Attachment
OPC _____ cc: Lori Cross
RCA _____
SCR _____
SGA _____
SEC _____
OTH Cover ltr only

Progress Energy Florida, Inc.
106 E. College Avenue
Suite 800
Tallahassee, FL 32301

060000

****CCA OFFICIAL DOCUMENT...****

Kimberley Pena

From: Kimberley Pena
Sent: Tuesday, May 09, 2006 2:42 PM
To: Lee Fordham
Subject: RE: Spoofcard.com registar (Undocketed)

Subpoena is available for pickup.

From: Lee Fordham
Sent: Monday, May 08, 2006 3:00 PM
To: Kimberley Pena
Subject: RE: Spoofcard.com registar (Undocketed)

Thanks, Kim.

From: Kimberley Pena
Sent: Monday, May 08, 2006 3:00 PM
To: Lee Fordham
Subject: RE: Spoofcard.com registar (Undocketed)

Will do. I will run the language by you before finalizing.

From: Lee Fordham
Sent: Monday, May 08, 2006 2:42 PM
To: Kimberley Pena
Subject: RE: Spoofcard.com registar (Undocketed)

Mail or FAX.

From: Kimberley Pena
Sent: Monday, May 08, 2006 2:42 PM
To: Lee Fordham
Subject: RE: Spoofcard.com registar (Undocketed)

Thanks. I have to find the correct one form because from what I understand you want this mailed to you and not brought to you. Is that correct?

From: Lee Fordham
Sent: Monday, May 08, 2006 2:39 PM
To: Kimberley Pena
Subject: RE: Spoofcard.com registar (Undocketed)

No. It is not a high priority.

From: Kimberley Pena
Sent: Monday, May 08, 2006 2:38 PM
To: Lee Fordham
Subject: RE: Spoofcard.com registar (Undocketed)

Needs to go today?

From: Lee Fordham
Sent: Monday, May 08, 2006 1:18 PM

****CCA OFFICIAL DOCUMENT...****

To: Kay Flynn; Kimberley Pena
Cc: Dale Buys; Ray Kennedy
Subject: FW: Spoofcard.com registar (Undocketed)

Kim & Kay

We need a Subpoena Duces Tecum Without Deposition for certain information from a company in Arizona. The subpoena should be directed to the company identified in the below email from Dale, and should request the following information, returnable to me :

Contact information regarding the company or entity for which DomainsbyProxy registered the Internet domain name ***Spoofcard***. The information should include: the company's name, mailing address, physical address, all telephone numbers associated with the company or entity, and the name of a contact person.

Information is requested within 10 days of receipt of subpoena. Submission of information by FAX is acceptable.

Thanks for your assistance in this matter. Please advise if you require additional information.

From: Dale Buys
Sent: Monday, May 08, 2006 11:01 AM
To: Lee Fordham
Cc: Ray Kennedy
Subject: Spoofcard.com registar

Lee,

We would like to send a subpoena to DomainsbyPorxy.com requesting information regarding the company or entity for which DomainsbyProxy registered the Internet domain name ***Spoofcard***. The information should include the company's name, mailing address, physical address, all telephone numbers associated with the company or entity, and the name of a contact person.

Please send the subpoena via process server to:

DomainsbyProxy.com
C/O Compliance Department
15111 N. Hayden Road
Suite 160, PMB 353
Scottsdale, AZ 85260

Thanks,

Dale Buys

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Spoofcard.com	)	**SUBPOENA DUCES TECUM WITHOUT DEPOSITION**

THE STATE OF FLORIDA

TO: DomainsbyProxy.com c/o Compliance Department, 15111 N. Hayden Road, Suite 160, PMB 353, Scottsdale, AZ 85260.

YOU ARE COMMANDED to appear at the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within 10 days of receipt of this subpoena, and by 5 p.m. on the 10th day, or at such other time and place as may be mutually agreed upon by counsel, and to have with you at that time and place the following:

Contact information regarding the company or entity for which DomainsbyProxy registered the Internet domain name ***Spoofcard***. The information should include: the company's name, mailing address, physical address, all telephone numbers associated with the company or entity, and the name of a contact person.

These items will be inspected and may be copied at that time. You will not be required to surrender the original items. You may comply with this subpoena by providing legible copies of the items to be produced to the attorney whose name appears on this subpoena on or before the scheduled date of production. **You may mail or deliver the copies to the attorney whose name appears on this subpoena and thereby eliminate your appearance at the time and place specified above.** You have the right to object to the production pursuant to this subpoena at any time before production by giving written notice to the attorney whose name appears on this subpoena. THIS WILL NOT BE A DEPOSITION. NO TESTIMONY WILL BE TAKEN.

YOU ARE SUBPOENAED by the following attorney to (1) appear as specified, or (2) furnish the records instead of appearing as provided above, and, unless excused from this subpoena by this attorney or the Commission, you shall respond to this subpoena as directed.

DATED on May 9, 2006.

Blanca S. Bayó, Director
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission

(SEAL)

By: _____
Kay Flynn, Chief, Bureau of Records

Lee Fordham
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
Attorney for
Florida Public Service Commission

Kay Flynn

060000

From: Todd Brown
Sent: Wednesday, May 10, 2006 11:03 AM
To: All PSC Staff; Commissioners & Staffs
Subject: PSC Commissioner Arriaga Appointed to UMAP Board

A news release was distributed to the daily newspapers this morning, 5/10/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=82

State of Florida

Public Service Commission

NEWS RELEASE

May 10, 2006 **Contact: 850-413-6482**

PSC Commissioner Arriaga Appointed to UMAP Board

TALLAHASSEE — Florida Public Service Commissioner (PSC) Isilio Arriaga has been appointed to the Department of Energy/National Association of Regulatory Utility Commissioners Utilities Market Access Partnership (UMAP) Board of Directors.

UMAP encourages market access and economic opportunities for Diverse Business Enterprises (DBE) in the electricity, gas, water and telecommunications procurement marketplace. In addition, UMAP continues to maximize opportunities for DBE's supplier participation and to promote voluntary utility market participation in DBE supplier development programs.

In accepting his appointment, Commissioner Arriaga said he is interested in identifying ways in which investor-owned utilities contribute to the economic development in Florida with specific focus on their efforts to procure contracts with small businesses. In April, he helped organize a PSC workshop on "Economic Development and Small Business Procurement by Florida's Investor-Owned Utilities." At the 2006 NARUC Summer Committee Meetings in San Francisco (July 30-August 2), Commissioner Arriaga will be a featured speaker during the UMAP meeting. He plans to highlight Florida's utilities' economic development efforts in Florida, with specific emphasis on small business procurement.

Commissioner Arriaga said, "I am pleased with the successes of Florida's utilities in the area of supplier diversity, and I will continue to work with them to foster UMAP's goal of enhancing opportunities for all participants in the electricity, gas, telecommunications, and water industries."

Commissioner Arriaga, who was appointed to the PSC in October 2005, has a distinguished international career and a particular interest in economic development. Prior to his PSC appointment, he was an independent management consultant for Ferrell Schultz Consulting, Inc., in Miami. He also served as President and CEO of the Greater Miami Chamber of Commerce, was on the Board of Directors of the Venezuelan-American Chamber and the Council of Bi-National Chambers, and was President and CEO of Hispanic Unity of Florida.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Matilda Sanders 060000

From: Budnik, Bernie [Bernie.Budnik@disney.com]
Sent: Wednesday, May 10, 2006 3:31 PM
To: Filings@psc.state.fl.us
Cc: Harvey, Allen; Tucker, Steve; Budnik, Bernie; Lovedale Peterside
Subject: Reedy Creek Improvement District Public Awareness Program Submittal for C. Edward Mills - CFR, Part 192.616 - Public Awareness
Attachments: RCID Public Awareness Program Submittal.pdf

Mr. C. Edward Mills
Chief, Bureau of Safety
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Mills,

Please find attached the Reedy Creek Improvement District's Natural Gas Pipeline Public Awareness Program as requested in your Memorandum dated February 28, 2006. This program has been developed and is submitted to be in compliance with Code of Federal Regulations, Part 192.616 – Public Awareness. The attached is in Adobe Acrobat file format and consists of 1 cover page and the actual program document consists of 10 pages (as per your electronic submittal guidelines, the cover page is imbedded within the same acrobat file as the public awareness program file.).

Should you have any questions relating to this submittal or have any difficulties with the electronic transmission of the submittal please do not hesitate to contact me directly.

Sincerely,

s/ Bernie Budnik
Manager Energy Plants
Reedy Creek Energy Services
PO Box 10000
Lake Buena Vista, FL 32830
bernie.budnik@disney.com
Office: 407-824-6441
Cell: 407-448-2562

May 10, 2006

Bernie Budnik
Manager Energy Plants
PO Box 10000
Reedy Creek Energy Services
Lake Buena Vista, FL 32830

Mr. C. Edward Mills
Chief, Bureau of Safety
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Mills,

Please find attached the Reedy Creek Improvement District's Natural Gas Pipeline Public Awareness Program as requested in your Memorandum dated February 28, 2006. This program has been developed and is submitted to be in compliance with Code of Federal Regulations, Part 192.616 – Public Awareness.

Should you have any questions relating to this submittal or have any difficulties with the electronic transmission of the submittal please do not hesitate to contact me directly.

Sincerely,

s/ Bernie Budnik
Manager Energy Plants
Reedy Creek Energy Services
PO Box 10000
Lake Buena Vista, FL 32830
bernie.budnik@disney.com
Office: 407-824-6441
Cell: 407-448-2562

Cc:
Steve Tucker
Allen Harvey
File

REEDY CREEK IMPROVEMENT DISTRICT / REEDY CREEK ENERGY SERVICES

NATURAL GAS PIPELINE PUBLIC AWARENESS PROGRAM

OBJECTIVES

The objectives of this Public Awareness Program are:

- To educate our customers how to recognize the odor of natural gas and how to respond if they detect possible gas odors. Early recognition of a gas odor and proper response can save lives.
- To raise the awareness of the affected public and key stakeholders of the presence of buried natural gas pipelines in the communities we serve. A more informed public will also understand that they have a significant role in helping to prevent third-party damage accidents.
- To help excavators understand the steps that they can take to prevent third party damage and respond properly if they cause damage to our pipelines.
- To help emergency response agencies that may assist Reedy Creek Energy Services in an emergency understand the proper actions to take in response to a gas release or emergency.

Public Awareness Policy

Our goal is to provide safe, reliable gas service to our customers and ensure the safety of those living and/or working near our gas pipelines. Public awareness is a critical component of our overall safety program. Every employee of Reedy Creek Energy Services associated with the Natural Gas System is committed to fulfilling our public awareness responsibilities as described in this Public Awareness Program.

1. Program Administration

Steve Tucker, Director, Reedy Creek Energy Services, is responsible for the overall conduct of this Public Awareness Program. The Program Administrator is responsible to ensure that:

- Target audiences are identified,
- Message(s) appropriate to each audience are identified
- Appropriate media are selected to transmit each message to each audience,
- Appropriate message delivery frequencies are identified for each message and audience,
- Messages are delivered as specified in the plan,
- The effectiveness of the program is periodically evaluated, and
- The plan is modified to reflect the findings of the effectiveness evaluation.

In addition to the Program Administrator, the following individuals are responsible for various aspects of the Public Awareness Program:

Bernie Budnik, Manager of Energy Plants, Reedy Creek Energy Services, is responsible to periodically review the performance of the Public Awareness Program and the individuals responsible for its implementation. Funding and resource allocation requests for the Plan will be established at the level necessary to implement the Plan.

Bud Joiner, Chief of Survey Department, Reedy Creek Energy Services, is responsible for coordinating our public awareness efforts with those of the Reedy Creek Energy Services ONE-CALL system.

2. *Affected Facilities*

All of the Reedy Creek Improvement District's gas distribution pipeline facilities are included in the Public Awareness Program. The system consists of two distribution systems providing natural gas service to a wide variety of theme park and resort properties. The "Theme Park" system operates at 60 psig and serves customers in the northern portion of the Reedy Creek Improvement District. The "Residential" system operates at 125 psig and serves customers in the southern portion of the District. The District receives delivery of natural gas at two locations from Florida Gas Transmission's bulk system. Primary metering and pressure reducing stations are located at each FGT/District customer transfer point. All distribution pipeline facilities located downstream of these transfer points are included in this Public Awareness Program.

3. Stakeholder Audiences

The following stakeholder audiences have been identified:

1. Affected Public In Areas Where We Operate
    a. Our Customers - Walt Disney World Resort and Operating Participant employees
    b. Individuals working near our pipelines
2. Emergency Officials In Areas Where We Operate
    a. Reedy Creek Improvement District Fire Department
    b. Orange County Sheriffs Department – Sector 6
    c. Walt Disney World Security Department
3. Public Officials In Areas Where We Operate
    a. Reedy Creek Improvement District – District Administrator
    b. Reedy Creek Improvement District – Building and Safety Department
4. Excavators In Areas Where We Operate
    a. Reedy Creek Energy Services Project Management Department
    b. Construction companies

The Program Administrator is responsible to develop and maintain a list of each of these stakeholder audiences.

- The customers in the case of Reedy Creek Improvement District's gas distribution system, consists of theme park and resort properties associated with the Walt Disney World Resort. In addition to individually targeted recipients, in most cases global communication methods will be utilized *(e-mail, bulletin board postings, web portal postings, corporate news letters, etc.)* to distribute mass communications regarding pipeline safety and awareness. It is the assumption of this program that customers of the Walt Disney World Resort complex are not the targeted audience but rather the employees working within the complex. The employees who are responsible for the day to day operation and maintenance of all resort facilities are less transient than guests to the Walt Disney World Resort and thus more likely to come into contact with gas distribution equipment.
- The list of government and emergency response officials will be obtained by contacting The Reedy Creek Improvement District directly. **Allen Harvey**, Supervisor of the RCES Gas Department will be responsible for maintaining the list of government and emergency response officials.
- The names, addresses and telephone numbers of excavators working within the boundaries of the Reedy Creek Improvement District will be obtained and maintained by the RCES Dig Permit process as implemented by the RCES Survey Department. **Bud Joiner**, Chief of Survey for RCES is responsible for maintenance and implementation of the RCES Dig Permit process and maintaining the list of excavators.

4. Message Type, Content and Frequency

The following message type and content will be sent to each stakeholder audience via the media listed at the frequency indicated:

Stakeholder Audience	Message Type	Frequency	Delivery Method
WDW Cast	▪ Leak recognition and response. ▪ Damage prevention and awareness. ▪ How to get additional information.	Annual	▪ Bulletin board posting ▪ Eyes & Ears articles ▪ RCID/RCES web ▪ E-mail distribution
WDW Operating Participant Employees	▪ Leak recognition and response. ▪ Damage prevention and awareness. ▪ How to get additional information.	Annual	▪ Bulletin board posting ▪ Eyes & Ears articles ▪ RCID web ▪ Direct mail
Emergency Officials	▪ Leak recognition and response. ▪ Damage prevention and awareness. ▪ How to get additional information ▪ Emergency preparedness communications	Annual	▪ Bulletin board posting ▪ RCID web ▪ Personal meetings
RCID Public Officials	▪ Leak recognition and response. ▪ Damage prevention and awareness. ▪ How to get additional information ▪ Emergency preparedness communications	3 years	▪ Personal meetings
Excavators / Contractors	▪ Leak recognition and response. ▪ Damage prevention and awareness. ▪ How to get additional information ▪ One-call requirements	Annual	▪ E-mail ▪ Direct mail ▪ RCID web

5. Development of Program Materials

The Program Administrator is responsible for ensuring that appropriate materials are developed and/or acquired for each communications activity listed above. Materials should be pre-tested for clarity, understandability and retain-ability before they are widely used. The pretest should be performed using a small representative audience, for example a small sample group of Reedy Creek Energy Services employees and/or families that are not involved in developing the public awareness program, a small sample section of the intended stakeholder audience or others. Lists, records or other documentation of stakeholder audiences with whom Reedy Creek Improvement District has communicated must be kept as specified in Section 9 of this Plan.

Currently the suggested media to be used for contact would be bulletin board fliers, email notices and updates, company newsletters, Reedy Creek Improvement District and Reedy Creek Energy Services web postings and face to face meetings with specified stakeholders.

The Public Awareness Program will be conducted in English and in other languages commonly understood by a significant number of and concentration of the non-English speaking population in our service area. Currently these consist of English and Spanish.

6. Program Implementation

The Program Administrator is responsible to ensure that each target audience identified above receives the appropriate materials via the specified media at the frequency specified in the preceding table. Records of these follow-up actions must be kept as specified in Section 9 of the Plan. The Program Administrator should prepare an annual estimate of the resources required to implement the Program and request that the appropriate budget and human resources are available.

7. Management of Input/Feedback/Comments Received

It is anticipated that the implementation of this public awareness program will generate requests for further information from those in the stakeholder audiences contacted. All inquires should be directed to the Program Administrator or others designated in the plan. Inquires about the location of pipelines should be directed to the Reedy Creek Energy Services Survey Department at 407-560-6539.

Records of inquiries received as a result of public awareness efforts should be prepared and submitted to the Program Administrator for use in assessing the effectiveness of this Plan.

8. Measuring the Effectiveness of This Program

The Program Administrator is responsible to periodically measure:

- Whether the information is reaching the intended stakeholder audiences;
- If the recipient audiences are understanding the messages delivered;
- Whether the recipients are motivated to act in accordance with the information provided;
- If the implementation of the public awareness program is impacting bottom line results.

This will include, at minimum:

- Tracking the number of calls received in response to materials,
- Reviewing the incidence of 3rd party damage to Reedy Creek Improvement District's gas facilities,
- Reviews following meetings with stakeholders,
- Contacting a random sample of each stakeholder audience, confirming their receipt of the materials and assessing their understanding of the target message(s),
- Reviewing similar effectiveness evaluations performed by the ONE-CALL system (if any)

If the results of these evaluations indicate that one or more target audience is not effectively receiving one or more of the target messages the Program Administrator should review the message type, content and delivery method to determine if more effective means of communications are available. Records of these effectiveness assessments and follow-up actions must be kept as specified in Section 9 of this Plan.

9. Records

The Program Administrator shall maintain the following records:

- Lists, records or other documentation of stakeholder audiences with whom Reedy Creek Energy Services has communicated,
- Copies of all materials provided to each stakeholder audience, and
- Results of pre-tests and effectiveness assessments, including follow-up actions and expected results.

The records shall be maintained for five (5) years.

Matilda Sanders 060000 CORRESPONDENCE

From: Edward Mills
Sent: Thursday, May 11, 2006 10:30 AM
To: Matilda Sanders
Cc: Lovedale Peterside
Subject: RE: Reedy Creek Improvement District Public Awareness Program Submittal for C. Edward Mills - CFR, Part 192.616 - Public Awareness

It is a safety compliance item they were given my email and address!! Thanks, E

From: Matilda Sanders
Sent: Wednesday, May 10, 2006 3:51 PM
To: Edward Mills
Subject: FW: Reedy Creek Improvement District Public Awareness Program Submittal for C. Edward Mills - CFR, Part 192.616 - Public Awareness
Importance: High

Per my voice mail I left you. This e-filing came in directed to you. Generally e-filings are for dockets or the undocketed, and we give them document numbers. This doesn't seem to be for one of those. If you should want it in a docket or undocketed, please let me know by email or memo with this info attached, and we'd be glad to document it. Thank you.

Matilda/CCA

From: Budnik, Bernie [mailto:Bernie.Budnik@disney.com]
Sent: Wednesday, May 10, 2006 3:31 PM
To: Filings@psc.state.fl.us
Cc: Harvey, Allen; Tucker, Steve; Budnik, Bernie; Lovedale Peterside
Subject: Reedy Creek Improvement District Public Awareness Program Submittal for C. Edward Mills - CFR, Part 192.616 - Public Awareness

Mr. C. Edward Mills
Chief, Bureau of Safety
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Mills,

Please find attached the Reedy Creek Improvement District's Natural Gas Pipeline Public Awareness Program as requested in your Memorandum dated February 28, 2006. This program has been developed and is submitted to be in compliance with Code of Federal Regulations, Part 192.616 – Public Awareness. The attached is in Adobe Acrobat file format and consists of 1 cover page and the actual program document consists of 10 pages (as per your electronic submittal guidelines, the cover page is imbedded within the same acrobat file as the public awareness program file.).

Should you have any questions relating to this submittal or have any difficulties with the electronic transmission of the submittal please do not hesitate to contact me directly.

Sincerely,

s/ Bernie Budnik

5/11/2006

Manager Energy Plants
Reedy Creek Energy Services
PO Box 10000
Lake Buena Vista, FL 32830
bernie.budnik@disney.com
Office: 407-824-6441
Cell: 407-448-2562

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M- CORRESPONDENCE
060000-OT Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

DATE: May 16, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Richard A. Moses, Chief of Telecom Serv Qual, Cert and Enforce, Division of Competitive Markets & Enforcement

RE: Permission to review Confidential filing DN 0403806 concerning inmate payphone problems - CATS #589024T (Mr. Richard Breeder)

This is a request for permission to review a confidential filing by Global Tel*Link (GTL). The document is a contract between Miami-Dade Corrections with GTL pertaining the operations of the inmate payphone system at the Miami-Dade Pretrial Detention Center. Staff requested this document in its efforts to resolve a problem which was observed in 2004 while the contract was with AT&T. GTL resolved the problem in September 2005. (See attached - May 8, 2006 filing)

Staff's investigation revealed that AT&T apparently received additional monies in excess of $400,000 due to the inaccurate sensitivity setting utilized to detect unlawful 3-way Call attempts by inmates. During the process of resolving this matter, AT&T sold the operation to GTL. AT&T states that upon assuming control of the operations, GTL also assumed all liabilities. GTL disputes this claim. In an effort to resolve this matter, in November 2005, staff requested a copy of the assumed contract with the County of Miami-Dade to ascertain the responsibilities of each of the parties before requesting that Dockets be imitated to resolve this matter.

Conf. DN (04038-06)

Cc: Clayton Lewis

(1)

ORIGINAL

CMP

060000

GTL

Lynda Gaston
Regulatory & Contract Manager
Phone: 251-479-4500 ext. 2215
Fax: 251-473-4588

2006 MAY 10 AM 9:38

DIVISION OF
COMPETITIVE SERVICES

May 8, 2006

RECEIVED-FPSC
06 MAY -8 AM 9:51
COMMISSION
CLERK

VIA OVERNIGHT MAIL

Attn: Commission Clerk
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RE: CONFIDENTIAL DOCUMENTS ENCLOSED

Dear Commission Clerk:

Please find enclosed for filing with the Commission a copy of the Miami-Dade Payphone Contract No. 104 between the County of Miami Dade and TCG Payphones. This contract was assigned to Global Tel*Link Corporation in 2005.

Global Tel*Link respectfully requests that this contract be filed under confidential treatment by the PSC and not be subject to public disclosure.

Once this contract has been filed as confidential by the Clerk's Office, please forward the enclosed contract copy to the attention of Mr. Clayton Lewis, Engineer Specialist III, Florida Public Service Commission.

CMP 1
COM
CTR
CR
CL 1
PC
CA
CR
GA
EC 1
TH

If you should have any questions, please contact me at 1-800-489-4500 ext. 2215 or via e-mail at lgaston@gtl.net. Thank you for your assistance.

Sincerely,

Lynda Gaston /pp

Lynda Gaston
Regulatory & Contract Manager

Enclosures

This claim of confidentiality was filed by or on behalf of a "telco" for Confidential DN 04038-06. The document is in locked storage pending advice on handling. To access the material, your name must be on the CASR. If undocketed, your division director must provide written permission before you can access it.

06 MAY -8 AM 8:57

FPSC-COMMISSION CLERK

DOCUMENT NUMBER-DATE
04037 MAY-8 06

(2)

Marguerite Lockard

From: Mary Diskerud
Sent: Thursday, May 18, 2006 9:07 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 5/18/2006 9:06:00 AM
Docket Number: Undocketed
Filename / Path: Lifeline Workshop Notice.smc.doc

4 pgs

Copied to gcorders. Distribution is all local exchange telecommunications companies - Telephone (TL)

Mary

40/2

City of Tallahassee
Your Own Utilities℠
Gas Utility 2602 Jackson Bluff Road Tallahassee, FL 32304 850-891-4YOU (4968)
talgov.com

060000

RECEIVED-FPSC
06 MAY 22 PM 1:51
COMMISSION
CLERK

DEPARTMENT OF GAS UTILITY

May 22, 2006

Mr. C. Edward Mills
Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Mills:

Please find attached the City of Tallahassee - Gas Utility, Public Awareness Plan.

Should you have any questions, please give me a call at (850) 891-5110 or (850) 694-8403 (cell).

Sincerely,

Terrill M. Booker
Gas System Support Administrator

Recycled Paper

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-GT

RECEIVED-FPSC
06 MAY 22 PM 2:02
COMMISSION CLERK

DATE: May 22, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Victor C. Cordiano, Engineering Specialist II, Division of Competitive Markets & Enforcement VC

RE: Docket No. 060000-PU – National Telecom pleading filed May 5, 2006 (Document No. 04014-06.

Pursuant to Section 11.04C.6.a.(3), Administrative Procedures Manual, I request access to the confidential response from National Telecom so that I can resolve Florida Surgical's complaint against National Telecom.

cc: Della Fordham

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP CDC

Sunshine Utilities
10230 E. Hwy. 25 · Belleview, FL 34420-5531
Office (352) 347-8228 · Fax (352) 347-6915

RECEIVED-FPSC
06 MAY 23 AM 9:42
COMMISSION
CLERK

CORRESPONDENCE
060000

May 16, 2006

FLORIDA PUBLIC SERVICE COMMISSION
COMMISSION CLERK & ADMIN SERVICES
2540 SHUMARD OAK BLVD
TALLAHASSEE, FL 32399-0850

RE: Request No. 698487W

Since September, 2004 Mr. Bost' meter has been estimated numerous times. The customer on the property directly behind him has a fence in their yard, including the easement that the meters are located in, and now have a rottweiler dog inside the fence. We have contacted the customer on numerous occasions to try remedy the situation so that we can have access to the meters but it never worked out.

I have enclosed copies of the work orders and a copy of the letter that was mailed to this customer trying to get this problem resolved.

I also talked to the Troy Rendell with the PSC and the Marion County Code Enforcement this morning on our options. Marion County informed me that as long as the dog was fenced there was nothing that they could do. He also informed me that they do not enforce easements being fenced.

So our only option left is to write another letter to the customer with the dog informing them that we will be enforcing F.A.C. 25-30.320(2F).

If you have any questions feel free to contact me at the above number.

Thank you

Dewaine Christmas
Manager

CMP
COM
CTR
ECR RENDELL
GCL 1
OPC
RCA
SCR
SGA
SEC
OTH Forwarded Orig to ECR

cc: Pam Bost
Enclosures

Sunshine Utilities
10230 E. Hwy. 25 · Belleview, FL 34420-5531
Office (352) 347-8228 · Fax (352) 347-6915

April 19, 2006

COPY

Amy Mitchell
2313 NE 34th Pl
Ocala, FL 34479

RE: Acct # 887 - Access to Meter

Sunshine Utilities meter readers and service technicians cannot gain access to your water meter due to an aggressive dog in your fence. We have tried working with you on this matter on several occasions with no success.

On 11/17/04 and 8/11/05 you stated that someone was always home and to gain access, knock on the door for someone to let our servicemen in the yard. We have tried this on numerous occasions however, no one has been home causing your meter to get estimated for the last seven months.

I am enclosing a copy of our tariff page provided by the Florida Public Service Commission for your reference.

Please contact me at the above phone number so that we can get this resolved.

Thank you

Dewaine Christmas
Manager

NAME OF COMPANY SUNSHINE UTILITIES OF CENTRAL FLORIDA, INC.
WATER TARIFF

COPY

(Continued from Sheet No. 10.0)

installations or changes shall be inspected upon completion by a competent authority to ensure that the customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local Laws and Governmental Regulation. Where Municipal or other Governmental inspection is required by local Rules and ordinances, the Company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Not withstanding the above, the Company reserves the right to inspect the customer's installation prior to rendering water service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

12.0 PROTECTION OF COMPANY'S PROPERTY - The customer shall exercise reasonable diligence to protect the Company's property on the customer's premises and shall knowingly permit no one, but the Company's agents or persons authorized by law, to have access to the Company's pipes and apparatus.

In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the customer, the cost of making good such loss or repairing such damage shall be paid by the customer.

13.0 ACCESS TO PREMISES - The duly authorized agents of the Company shall have access at all reasonable hours to the premises of the customer for the purpose of installing, maintaining, inspecting, or removing the Company's property; reading the meter; or for performance under or termination of the Company's agreement with the customer and under such performance shall not be liable for trespass.

14.0 RIGHT OF WAY OR EASEMENTS - The customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges with are necessary for the rendering of water service.

15.0 BILLING PERIODS - Bills for water service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule and shall

(Continued to Sheet No. 12.0)

JAMES H. HODGES
ISSUING OFFICER

PRESIDENT
TITLE

COPY

WORK ORDER

Date Made Up: 08/16/2005

Sign-Out Date: 08/22/2005

Sign-In Date: 08/23/2005

Customer Name: MITCHELL, AMY

Address: 2313 NE 34TH PL

Subdivision: SUN RAY

Account No.: 887.0000

Work Order: 73946

Construction: _____

Repairs: _____

Retirement: _____

Lot & Block: _____

To Be Done On: 08/16/2005

Date Completed: 08/22/2005

Work To Be Done: LEAVE NOTE TO CALL OFFICE ABOUT DOG IN BACKYARD, WE HAVE NO ACCESS TO THE METER

LEFT NOTE NO ONE HOME JP

Meter Reading: _____

Service Man	Service Man	Service Man
1. Hours: _____	2. Hours: _____	3. Hours: _____

Materials Used:

_____ _____

_____ _____

_____ _____

_____ _____

Cause of Leak or Break: _____

_____

Appx. How Long Has Leak or Break Existed?: _____

_____

*** LET CUSTOMER KNOW YOU WERE THERE ***

COPY

WORK ORDER

Date Made Up: 07/11/2005

Sign-Out Date: 07/14/2005

Sign-In Date: 07/15/2005

Customer Name: MITCHELL, AMY

Address: 2313 NE 34TH PL

Subdivision: SUN RAY

Account No.: 887.0000

Work Order: 73367

Construction: _____

Repairs: _____

Retirement: _____

Lot & Block: _____

To Be Done On: 07/11/2005

Date Completed: 07/14/2005

Work To Be Done: KNOCK ON DOOR / DOG READ FOR BILLING EST

READ BOTH METERS 842 & 887 3RD TIME THERE NO ONE HOME

DOG WILL NOT LET ANYONE IN YARD JP/CP

Meter Reading: _____

Service Man	Service Man	Service Man
1. Hours: _____	2. Hours: _____	3. Hours: _____

Materials Used:

_____ _____

_____ _____

_____ _____

_____ _____

Cause of Leak or Break: _____

_____

Appx. How Long Has Leak or Break Existed?: _____

_____

*** LET CUSTOMER KNOW YOU WERE THERE ***

COPY

WORK ORDER

Date Made Up: 05/10/2005

Sign-Out Date: 05/16/2005

Sign-In Date: 05/17/2005

Customer Name: MITCHELL, AMY

Address: 2313 NE 34TH PL

Subdivision: SUN RAY

Account No.: 887.0000

Work Order: 72395

Construction: _____

Repairs: _____

Retirement: _____

Lot & Block: _____

To Be Done On: 05/10/2005

Date Completed: 05/16/2005

Work To Be Done: KNOCK ON DOOR CUST ADVISES HOME ALL THE TIME SHE CAN PUT DOG UP FOR METER READING & REPLACE DAMAGED BOX? M/R 0323990 NOTHING WR W/ BOX JP/CHRIS

Meter Reading: _____

Service Man	Service Man	Service Man
1. Hours: _____	2. Hours: _____	3. Hours: _____

Materials Used:

_____ _____

_____ _____

_____ _____

_____ _____

Cause of Leak or Break: _____

_____

Appx. How Long Has Leak or Break Existed?: _____

_____

*** LET CUSTOMER KNOW YOU WERE THERE ***

COPY

WORK ORDER

Date Made Up: 04/11/2005

Sign-Out Date: 04/14/2005

Sign-In Date: 04/15/2005

Customer Name: MITCHELL, AMY

Address: 2313 NE 34TH PL

Subdivision: SUN RAY

Account No.: 887.0000

Work Order: 71914

Construction: _____

Repairs: _____

Retirement: _____

Lot & Block: _____

To Be Done On: 04/11/2005

Date Completed: 04/14/2005

Work To Be Done: KNOCK ON DOOR TO GAIN ACCESS TO READ METER
CUST RARELY HOME DURING DAY HAS VISIOUS DOG THIS & OTHER
MTR IN YARD WILL BE EST OFTEN AP

Meter Reading: _____

Service Man	Service Man	Service Man
1. Hours: _____	2. Hours: _____	3. Hours: _____

Materials Used:

_____ _____

_____ _____

_____ _____

_____ _____

Cause of Leak or Break: _____

_____

Appx. How Long Has Leak or Break Existed?: _____

_____

*** LET CUSTOMER KNOW YOU WERE THERE ***

COPY

WORK ORDER

Date Made Up: 12/09/2004 Work Order: 70250

Sign-Out Date: 12/10/2004 Construction: _____

Sign-In Date: 12/13/2004 Repairs: _____

Customer Name: MITCHELL, AMY Retirement: _____

Address: 2313 NE 34TH PL Lot & Block: _____

Subdivision: SUN RAY To Be Done On: 12/09/2004

Account No.: 887.0000 Date Completed: 12/10/2004

Work To Be Done: DOG-NOT READ CUST INSISTS ALWAYS HOME KNOCK ON DOOR

M/R 0295600 AP

_____

Meter Reading: _____

Service Man	Service Man	Service Man
1. Hours: _____	2. Hours: _____	3. Hours: _____

Materials Used:

_____ _____

_____ _____

_____ _____

_____ _____

Cause of Leak or Break: _____

_____

Appx. How Long Has Leak or Break Existed?: _____

_____

*** LET CUSTOMER KNOW YOU WERE THERE ***

ORIGINAL unclocked

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

06 MAY 31 AM 9:30

COMMISSION CLERK

Public Service Commission

May 26, 2006

Ms. Margaret Like
3891 Rodeo Drive
Sebring, Florida 33875

Re: Complaint Case No. 680198W - Margaret Like- Wastewater Blockage/Backed up

Dear Ms. Like:

This letter is to inform you that, on May 17, 2006, I traveled to Sebring, Florida to investigate your complaint. As a result, your wastewater provider (Country Club of Sebring or utility) will re-route your wastewater service line in June 2006. This should resolve your current wastewater blockage/backed up. Regarding the re-routing of your line, you (the customer) will not be required to financially compensate the utility for this expense. Therefore, this complaint shall be closed. We appreciate your cooperation in this matter and if you have any questions; please contact me (Gerald D. Edwards) at (850) 413-7001.

Sincerely,

Gerald D. Edwards
Engineering Specialist III

cc: Division of Economic Regulation (Rendell, Willis)
Division of Regulatory Compliance and Consumer Assistance (Hicks)
Division of the Commission Clerk and Administrative Services

undocketed

ORIGINAL

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

06 MAY 31 AM 9:30

COMMISSION
CLERK

Public Service Commission

May 26, 2006

Country Club of Sebring
3035 Wynstone Drive
Sebring, Florida 33875-4745

Re: Complaint Case No. 680198W - Margaret Like- Wastewater Blockage/Backed up

Dear Mr. R. Greg Harris

This letter is to confirm our conversation regarding the solution to the above referenced customer complaint. On May 17, 2006, I traveled to Sebring, Florida to investigate the complaint of Ms. Margaret Like, a wastewater customer of Country Club of Sebring. I met with you (Mr. R. Greg Harris) in front of the customer's resident. You were very demonstrative, providing a very detailed explanation as to where the line blockages would accrue. After carefully reviewing the situation, you determined the best solution, which would benefit both customers and utility, is to re-route the customer's wastewater line. You stated that you would route the line so that it interconnects at the utility's manhole and construction will begin in June 2006. In addition, you stated that any customer's lawns that are affected would be repaired.

We appreciate you cooperation in this matter and look forward to receiving a progress report you (which will span from project's beginning to end). Therefore, the complaint shall be closed. If you have any questions; please contact me (Gerald D. Edwards) at (850) 413-7001.

Sincerely,

Gerald D. Edwards
Engineering Specialist III

cc: Division of Economic Regulation (Rendell, Willis)
Division of Regulatory Compliance and Consumer Assistance (Hicks)
Division of the Commission Clerk and Administrative Services

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

May 31, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-9135)

Patrick M. Bryan, Esquire
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Bryan:

Commission staff have advised that confidential Document No. 00412-06, filed on behalf of Florida Power & Light Company, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: David Jopling, Division of Economic Regulation
Mary Anne Helton, Office of the General Counsel

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

May 31, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5750-9135)

Patrick M. Bryan, Esquire
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

FPSC, CLK - CORRESPONDENCE
☑ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: ECR; GCL

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Bryan:

Commission staff
Florida Power & Light Co

Please do not hesi
material.

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 00412-06

PATRICK M BRYAN ESQUIRE
FLORIDA POWER & LIGHT CO
700 UNIVERSE BLVD
JUNO BEACH FL 33408-0420

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly): G ADAMS — B. Date of Delivery: 5-6

C. Signature: X S. Adams — ☑ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☑ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7004 1160 0004 5750 9135

PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424

KF:mhl
Enclosure

cc: David Jopling, Division of Economic Regulation
Mary Anne Helton, Office of the General Counsel

DOCUMENT NO. DATE
03349-07 5/31/06
FPSC - COMMISSION CLERK

Kay Flynn

060000

From: Todd Brown
Sent: Friday, June 02, 2006 8:18 AM
To: All PSC Staff; Commissioners & Staffs
Subject: Commission to Examine Hurricane Preparedness Plans

A news release was distributed to the daily newspapers yesterday afternoon, 6/01/06, and is available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=91

State of Florida

Public Service Commission

NEWS RELEASE

June 1, 2006 **Contact: 850-413-6482**

Commission to Examine Hurricane Preparedness Plans

TALLAHASSEE — Hurricane preparedness plans for the 2006 hurricane season for Florida's electric utilities will be presented to the Florida Public Service Commission (PSC) at its Internal Affairs meeting on Monday, June 5.

Each presentation will include information on what the utility is doing regarding inspection of transmission lines, poles, and towers for structural integrity, action the utility has taken to clear vegetation away from critical lines and structures and progress the utility has made on repairs to transmission and distribution facilities and poles from previous storms.

In addition to addressing the current season's efforts, the Commission has required investor-owned utilities to file long-term plans on hurricane preparedness efforts.

Representatives from eleven utilities are scheduled to make presentations. A copy of the Internal Affairs agenda is available on the Commission's website at: **http://www.psc.state.fl.us/internal/toc.cfm**.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

April 19, 2006

Susan S. Masterton, Esquire
Sprint – Law/External Affairs
1313 Blair Stone Road
Tallahassee, Florida 32316-2214

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Masterton:

Commission staff have advised that Confidential Document No. 09728-05, filed on behalf of Sprint, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Beth Salak, Division of Competitive Markets and Enforcement

RECEIVED Cynthia Donovan DATE 4/5/06

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

June 5, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1893)

Dulaney Lee O'Roark, III, Esquire
MCI WorldCom
Six Concourse Parkway, Suite 600
Atlanta, Georgia 30328

FPSC, CLK - CORRESPONDENCE
☒ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO 03349-07
DISTRIBUTION: CMP; RCA; GCL

Re: Return of Confidential Documents to the Source (Undocketed)

Dear Mr. O'Roark:

Commission staff have advised that confidential Document Nos. 02245-00, 02768-00, 02827-00, 04557-00, 04728-00, 04969-00, 08991-00, 08994-00, 08030-03, and 08424-03, filed on behalf of MCI WorldCom and its subsidiaries, can be returned to the source. The documents are enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement
Denise Vandiver, Division of Regulatory Compliance and Consumer Assistance
Bob Freeman, Division of Regulatory Compliance and Consumer Assistance
Office of the General Counsel

DOCUMENT NO. DATE

03349-07 6/5/06
FPSC - COMMISSION CLERK

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

June 5, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1893)

Dulaney Lee O'Roark, III, Esquire
MCI WorldCom
Six Concourse Parkway, Suite 600
Atlanta, Georgia 30328

FPSC, CLK - CORRESPONDENCE
☑ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO 03349-07
DISTRIBUTION: CMP; RCA; GCL

Re: Return of Confidential Documents to the Source (Undocketed)

Dear Mr. O'Roark:

Commission sta
02827-00, 04557-00, (
on behalf of MCI Wor
are enclosed.

Please do not hes
material.

SENDER: COMPLETE THIS SECTION
- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 02245-00; 02768-00; 02827-00; 04557-00; 04728-00; 04969-00 et al.

DULANEY LEE O'ROARK III ESQUIRE
MCI WORLDCOM
6 CONCOURSE PKWY STE 600
ATLANTA GA 30328

COMPLETE THIS SECTION ON DELIVERY
A. Received by (Please Print Clearly) — B. Date of Delivery: 6/8/06
C. Signature: X — ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

JUN 08 2006

3. Service Type: ☑ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes
2. Article Number (Transfer from service label): 7004 1160 0004 5751 1893

PS Form 3811, March 2001 — Domestic Return Receipt — 102595-01-M-1424

KF:mhl
Enclosure

cc: Sue Ollila, Division of Competitive Markets and Enforcement
Denise Vandiver, Division of Regulatory Compliance and Consumer Assistance
Bob Freeman, Division of Regulatory Compliance and Consumer Assistance
Office of the General Counsel

DOCUMENT NO. DATE
03349-07 6/5/06
FPSC - COMMISSION CLERK

Marion Utilities, Inc.
710 NE 30TH AVE. OCALA, FLORIDA 34470
(352) 622-1171

RECEIVED-FPSC
06 JUN -7 PM 2:24
COMMISSION
CLERK

May 31, 2006

060000

Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399
Attn: Records and Reporting

To Whom It May Concern:

Enclosed is our 2006 Price Index and Pass-Thru application.

If there are any questions, please contact our office.

Sincerely,

Tim E. Thompson
President, Marion Utilities, Inc.

Enc.

06 JUN -7 AM 10:32
DISTRIBUTION CENTER

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

February 20, 2006

David M. Christian, Assistant Vice President
Verizon – Regulatory Affairs Florida
106 East College Avenue
Tallahassee, Florida 32301

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Christian:

Commission staff have advised that confidential Document No. 08762-05, filed on behalf of Verizon Florida Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Beth Salak, Division of Competitive Markets and Enforcement

RECEIVED Demetria Watts DATE 6-13-06

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 AUG 17 AM 8:38
COMMISSION CLERK

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

060000-OT

DATE: June 13, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Ray E. Kennedy, Utilities System/Engineering Spec Supr - SES, Division of Competitive Markets & Enforcement RK

RE: Access to Confidential Records

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

Melinda Watts, CMP, requires access to the following confidential document. This document was submitted in response to staff's request for information as part of an investigation. Mrs. Watts is assigned to the investigation and needs the information to proceed. Please allow Mrs. Watts to have access to this document.

Document No.: 04785-06

cc: Division of Competitive Markets & Enforcement (Melinda Watts)

Matilda Sanders

From: Mary Diskerud
Sent: Thursday, June 15, 2006 10:23 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

6

Date and Time: 6/15/2006 10:22:00 AM
Docket Number: Undocketed
Filename / Path: 30-4325 Notice Development.ctm.doc

ccs✓

133 faxed | 32 mailed

Copied to gcorders. Distribution is Water & Wastewater (WAW)

Mary

MCD Workshop (WAW)
MCD Rulemaking (WAW)

15446

ECR/Redemann

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

CORRESPONDENCE

(850) 877-6555
FAX (850) 656-4029
www.rsbattorneys.com

060000

FREDERICK L. ASCHAUER, JR.
CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
DAVID F. CHESTER
F. MARSHALL DETERDING
JOHN R. JENKINS, P.A.
STEVEN T. MINDLIN, P.A.
CHASITY H. O'STEEN
DAREN L. SHIPPY
WILLIAM E. SUNDSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

ROBERT M. C. ROSE, *OF COUNSEL*
WAYNE L. SCHIEFELBEIN, *OF COUNSEL*

CENTRAL FLORIDA OFFICE
SANLANDO CENTER
2180 WEST STATE ROAD 434
SUITE 2118
LONGWOOD, FLORIDA 32779
(407) 830-6331
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD
BRIAN J. STREET

June 15, 2006
VIA HAND DELIVERY

Blanca S. Bayo, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED-FPSC
06 JUN 15 AM 9:43
COMMISSION
CLERK

Re: Paradise Lakes Utility, LLC; Complaint No. 690725-W
Our File No. 37089.03

Dear Ms. Bayo:

1. The most useful tool in resolving this complaint will be a dated timeline. Please prepare for staff review a timeline with dated entries for the specific items listed below. For each of the below listed entries on the timeline, please provide documentation substantiating the placement of the event on the timeline. The events to be included on the timeline are:

   a) The name of each utility which has provided wastewater service to the Fountains at Paradise Lakes and the exact dates each company provided service. Include names of owners, shareholders or officers of any corporation which owned said utilities.

Response: It is outside the knowledge of PLU who could have provided wastewater service to the Fountains besides PLU. The Fountains has been receiving such service through PLU's lines since the date those individual units were first occupied. We have attempted to obtain the information concerning the dates this began from the Condominium Association and have even assisted them in writing a letter to the County seeking clarification of that issue. However, to date, we have received no response form them, nor have we been forwarded anything that they obtained from the County. We have, however, determined the approximate dates for the certificates of occupancy for the units and have verified with the Condominium Association that

they are in agreement with those CO dates. These CO dates are however a function of finalizing a building permit and not as helpful in determining the date service began as would be individual unit closing dates or the date a unit was occupied. But we do not have the latter information and despite repeated requests to the Association, they have provided us with nothing on these latter items to date.

Larry and Janice DeLucenay have been the owners of PLU since January 1, 2003.

b) Each transfer of ownership or ownership interest in the utility that provided service to the Fountains at Paradise Lakes, including names of all owners, officers or shareholders of any corporation holding ownership interest.

Response: Given the dates that we have for the sewer lines being cleared for operation by the County per the attached March 26, 2003 letter from the County (**Exhibit "A"**), and the date that transfer of operation of the Utility occurred (January 1, 2003), there has been no change of ownership since the purchase of the Utility and PLU with its current ownership began providing service to the Fountains Condominiums since they began receiving sewer service.

c) All approved site plans, development plans, permits or other approvals by Pasco County to construct the Fountains at Paradise Lakes.

Response: It is outside the knowledge of PLU as to who would have such documents other than the developer, the County and perhaps the Association. We have attempted to obtain that information from the Condominium Association and have even assisted them in writing a letter to the County seeking clarification of that issue. However, to date, we have received no response form them, nor have we been forwarded anything that they obtained from the County.

We do have the letter attached hereto as **Exhibit "A"** which is the letter to Mr. Lettelleir approving final clearance for the wastewater collection system within the Fountains dated March 26, 2003 and stating that the final inspection was performed on February 28, 2003. Therefore, we have to assume that unless someone acted illegally with regard to utilizing the individual units; sewer service to any of these units could not have occurred before that approval date in early 2003.

d) The name of the developer of the Fountains, including names of all officers, owners and shareholders of the developer of the Fountains.

Response: The name of the developer of the Fountains is unknown and PLU has no way of knowing the name of that developer. We believe that the developers of Paradise Lakes Resort or related entity may have been somehow partially involved, but have no verifiable basis for determining the answer to this question. Both the County and the Homeowners Association do have access to this information and in fact we have tried to assist the Condominium Association in requesting this information from the County. To this date we have received nothing from the Association, nor seen any of the responses to the inquiries of the County which they have made.

e) All transfers of interest, changes in ownership, or officers of the Fountains.

Response: Unknown. PLU has no way of knowing.

f) The date the declaration of condominium was filed.

Response: Unknown. PLU has no way of knowing.

g) The date control of the condominium association was transferred to the unit owners.

Response: Unknown. PLU has no way of knowing.

h) The dates of any management contracts for the Fountains, including the names of the owners, officers, shareholders, and managing agents of said management company.

Response: Unknown. PLU has no way of knowing

i) Dates of transfer of individual units within the condominium.

Response: Unknown. PLU has no way of knowing

2. Please confirm that the water and wastewater service area of the Fountains at Paradise Lakes (Fountains or condominium) is in the approved service territory of Paradise Lakes Utility, L.L.C.

Response: Attached hereto as **Exhibit "B"** is a map showing the location of the service territory of Paradise Lakes Utility, LLC. Also indicated on that map is the approximate location of the Fountains.

3. When Mr. and Mrs. DeLucenay acquired Paradise Lakes Utility, L.L.C. what steps were taken to review the service area to compare the number of active water and wastewater service customers to the number of units in utility's service area?

Response: The previous owners maintained poor billing records and in addition, hundreds of units are on flat rates.

We are attaching as **Exhibit "C"** hereto two notebooks of the billing records for all of the customers of PLU at the time of transfer at the end of 2002. There is no mention of "The Fountains" and should be none as the sewer mains were not cleared to allow service to the condominiums until at least two months after closing of the sale of PLU. No attempt was made to verify that each unit physically within the development was an active connected customer or vice versa. This is not the norm in such a sale of stock. Under the circumstances, they would not be such a customer in any case until occupied by individual owners.

4. How many acres does the Fountains occupy of the 80 acres of the Paradise Lakes Development, and is it inside the fenced area of the Paradise Lakes Development?

Response: We believe that the Fountains occupies approximately 4.39 acres separately fenced and accessed area of the Paradise Lakes Development.

5. In the closing document for transfer of majority of organizational control of Paradise Lakes Utility, L.L.C., was the Fountains listed as a wastewater customer? Was there any disclosure about the Fountains at Paradise Lakes?

Response: No, only those customers who had actually signed up for service would have been included in such a list. The developers of the Fountains had already informed the Fountain residents that they needed to sign up for service with PLU at the appropriate time of occupancy of each unit, but none of them have done so, even though it is apparent that all such unit occupancy occurred after transfer of the Utility.

6. What was Mr. Lettellier's representation to Mr. Delucenay regarding the number of customers of Paradise Lakes Utility, LLC?

Response: Mr. Lettellier's representation to Mr. DeLucenay regarding the number of customers of Paradise Lakes Utility, LLC were those that were in existence at the time the Utility began management in the form of spiral account books **Exhibit "C"**. Those were all of the customers who had applied for and began receiving service from the Utility.

7. Are there any documents relating to the transfer of ownership of the utility which are not in the possession of the PSC? If so, please provide us with copies.

Response: We are not clear about what documents related to transfer of ownership of the Utility were in the possession of the PSC. However, we have previously provided the Commission with the original Agreement and the Addendums thereto.

8. Are all 71 units of the Fountains connected to the Paradise Lakes Utility, L.L.C. collection system?

Response: Yes. We have determined through investigation in recent months that all of the 71 units of the Fountains are connected to Paradise Lake Utility, LLC's collection system.

9. How did you discover that the Fountains were using the Paradise Lakes Utility, L.L.C. wastewater system?

Response: In reviewing collection system and location of territorial boundaries realized there were addresses that were unfamiliar to us in billing. Upon checking, discovered none of them were signed up as customers.

10. Have you done a physical search of the pipeline to determine the location of the connections with the Utility? If yes, describe the type of search you did and the results of your search.

Response: Yes. A search was done with a sewer camera into the receiving manhole (M.H.) under an RV unit and its concrete and stone porch. We observed that there is a connected line from the north side of M.H. (which faces only the Fountains Condos).

11. Who was the developer of the condominium? Provide any documentation in your possession supporting this answer.

Response: Unknown. The name of the developer of the Fountains is unknown and PLU has no way of knowing the name of that developer. We believe that the developers of Paradise Lakes Resort or related entity may have been somehow involved, but have no basis for determining the answer to this question. Both the County and the Homeowners Association do have access to this information and in fact we have tried to assist the Condominium Association in requesting this information from the County. To this date we have received nothing from the Association, nor seen any of the responses to the inquiries of the County which they have made.

12. Who was the general contractor? Provide any documentation in your possession supporting this answer.

Response: Unknown. PLU has no way of knowing.

13. Who was the plumbing contractor? Provide any documentation in your possession supporting this answer.

Response: Unknown. PLU has no way of knowing.

14. Attached to this letter is a Water and Waste plan for The Fountains at Paradise Lakes prepared by Environmental Engineering Consultants, Inc. which you provided to the PSC. This plan purportedly shows the connection of the Fountains at Paradise Lakes to an existing utility line.

    a) When, from whom, and how did you obtain this plan?

Response: Unknown individual with Environmental Engineering Consultants by request.

    b) For whom was the drawing prepared? Provide any documentation in your possession supporting this answer.

Response: Unknown. PLU has no way of knowing.

c) Was this plan approved by Pasco County? Please provide documentation of any official approval.

Response: Unknown. PLU assumed it was approved. The County letter dated March 26, 2003 attached in response to Question 1(c). **Exhibit "A"** states that it was approved as of the date of the letter.

15. In your April 6, 2006, response to the customer complaint, you stated that members of the condominium association did not request utility service as required by the condominium documents. Please provide the entire copy of those documents referred to in the April 6th letter, highlighting the referred to section including the date they were filed. When and how did you become aware of those documents?

Response: Attached is a complete copy of the condominium documents that we received from Joe Lettelleir's archives in approximately March of 2006, upon inquiry. We are unclear about whether or not these are a complete copy of the recorded condominium documents, but they are all that we possess.

16. Is there any other person or entity that you believe has information that would be helpful in resolving this complaint? If yes, please list the name, address and the type of information they have which you believe could help reach a resolution in this case.

Response: None.

Sincerely,

ROSE, SUNDSTROM & BENTLEY

F. Marshall Deterding
For The Firm

FMD/tms

Kay Flynn

060000

From: Donna Jones
Sent: Friday, June 16, 2006 4:12 PM
To: All PSC Staff; Commissioners & Staffs
Subject: PSC to Honor Former Commissioner

A news release was distributed to the daily newspapers this afternoon, 6/16/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=97

Donna Jon es
Office of Public Information
Public Service C ommission
Telephone: 4 13-6656, Intercom 4 31

State of Florida

Public Service Commission

NEWS RELEASE

June 16, 2006 **Contact: 850-413-6482**

PSC to Honor Former Commissioner

TALLAHASSEE — In recognition of his significant contributions to the regulatory process and the citizens of the State of Florida, the Public Service Commission will dedicate its large hearing room to the Honorable Joseph P. Cresse on Tuesday, June 20. Joe Cresse served as a Public Service Commissioner from January 1979 to December 1985, and served as Chairman from 1981 through 1982. Commissioner Cresse will be remembered as one of the great utility regulators of the twentieth century.

The dedication will be held at the following time and location:

Tuesday, June 20, 2006
1:30 p.m.
Room 148, Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, Florida
###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Kay Flynn

060000

From: Donna Jones
Sent: Friday, June 23, 2006 10:42 AM
To: All PSC Staff; Commissioners & Staffs
Subject: PSC to Host Delegation from Paraguay

A news release was distributed to the daily newspapers this morning, 6/23/06, and is now available on the PSC website:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=101

Donna Jon es
Office of Public Information
Public Service C ommission
Telephone: 4 13-6656, Intercom 43 1

State of Florida

Public Service Commission

NEWS RELEASE

June 23, 2006 **Contact: 850-413-6482**

PSC to Host Delegation from Paraguay

TALLAHASSEE — The Florida Public Service Commission will host a delegation from the South American nation of Paraguay for two days of discussions focusing on oversight of electric utilities June 26 and 27 at the request of the United States Department of the Treasury.

Topics will include electric service reliability, establishing rates, determining need for additional generation, auditing, and management reviews.

"We welcome the opportunity to meet with the members of the Paraguayan delegation to share insights and experiences," Commission Chairman Lisa Polak Edgar said. "The issues involving electric utilities are global in nature and these meetings highlight the need for information sharing."

The Paraguayan delegation, which will be accompanied by a representative of the treasury department, is scheduled to be in Tallahassee from June 24 through June 30.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Todd Brown
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

ECR/Jenkins
060000

LAW OFFICES OF
HALL & HEDRICK

SUITE 301
306 ALCAZAR AVENUE
CORAL GABLES, FLORIDA 33134

TELEPHONE 448-8300
AREA CODE 305
FAX (305) 448-2447

RECEIVED-FPSC
06 JUN 26 AM 10:38
COMMISSION
CLERK

June 20, 2006

F

Florida Public Service Commission
Administrative Services
2540 Shumard Oak Blvd.
Tallahsee, FL 32399

Dear Sir:

We are having a serious problem with what we consider to be excess charges by Florida Power & Light Co. at our ranch located in DeSoto County, Arcadia, Florida. Enclosed is a copy of my letter to FPL of this date. Please assign a member of your staff to investigate FPL's charges, as well as the rumor that they frequently estimate electrical usage without verifying the kilowatt hours actually consumed. This rumor did not originate at our ranch. It appears to be generally circulating in the Arcadia, Florida area.

Your prompt attention to this matter will be appreciated.

Very truly yours,

M. Lewis Hall, Jr.

MLH,Jr/dm
Enclosure
cc: Florida Power & Light Co.
Mr. L. G. Rowan, Manager

06 JUN 26 AM 10:00
DISTRIBUTION CENTER

c:\jr\public.ser

Kay Flynn

From: Kay Flynn
Sent: Monday, June 26, 2006 11:09 AM
To: Joe Jenkins
Subject: RE: complaint in DeSoto County re FPL

thanks. On its way...

From: Joe Jenkins
Sent: Monday, June 26, 2006 11:09 AM
To: Kay Flynn
Subject: RE: complaint in DeSoto County re FPL

Yes.

From: Kay Flynn
Sent: Monday, June 26, 2006 11:04 AM
To: Joe Jenkins
Cc: Marie Sapp; Timolyn Henry
Subject: complaint in DeSoto County re FPL

Joe, just fyi we received a letter from attorney M. Lewis Hall in Coral Gables. He is questioning electric charges by FPL for his ranch in Arcadia. There is no docket associated with this matter. Is it appropriate to forward it to you to assign someone to investigate?

Kay

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and to the media upon request. Therefore, your e-mail message may be subject to public disclosure.

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: June 27, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to Review Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Dale Mailhot, Lisa Harvey, Carl Vinson and Lynn Fisher be granted access to the undocketed BellSouth, Embarq and Verizon confidential responses to staff's informal data request regarding Special Construction. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

Embarq 05564-06
BellSouth 05665-06

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: —

State of Florida

Public Service Commission

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

DATE: July 3, 2006

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Section, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. UNDOCKETED, STAFF WORKSHOP HELD 06/21/06.

Re: PROPOSED ADOPTION OF RULE 25-4.0665, F.A.C., LIFELINE SERVICE.

DOCUMENT NO.: 05868-06, 06/30/06

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, CMP

Acknowledged BY:

JF/rlm

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: July 5, 2006

TO: Marguerite Lockard, Commission Deputy Clerk II, Division of Commission Clerk and Administrative Services

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

RE: Confidential Responses to Data Requests for the 2006 Local Competition Report

Responses to CMP's CLEC and ILEC surveys for the 2006 Local Competition Report have begun to come in. As in the past, we expect that a number of parties will file for confidential treatment of their responses; however, any use made of the information will be in the aggregate.

In order to assess the status of local competition, I request that the following staff members be authorized to review the confidential responses:

Name	Division
Beth Salak	CMP
Dale Mailhot	CMP
Lisa Harvey	CMP
Greg Shafer	CMP
Greg Fogleman	CMP
Tabitha Hunter	CMP
Brenda Merritt	CMP
Sue Ollila	CMP
Vic Cordiano	CMP
Jacob Williams	SGA

FPSC, CLK - CORRESPONDENCE
Administrative__Parties__Consum
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

The responses will be returned to the Division of Commission Clerk and Administrative Services when we have completed our review.

cc: Della Fordham
Brenda Merritt
Dale Mailhot
Jim Dean

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 JUL 10 AM 9:38
COMMISSION CLERK

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

060000-OT

DATE: July 10, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to Review Confidential Documents

Pursuant to the Commission's Administrative Procedure Manual, Chapter 11.04(C)(4)(b), I request that Dale Mailhot, Rick Moses, Lisa Harvey, Carl Vinson, Lynn Fisher, and I be allowed access to the BellSouth, Sprint and Verizon confidential documents, received in conjunction with staff's informal ***Review of Pole Inspection and Maintenance Practices of BellSouth, Sprint and Verizon***. These documents include, but are not limited to the following documents, 02063-06, 11153-05, 01587-06, 01594-06, 01593-06. Confidential information reviewed will be treated in accordance with Florida Statutes and the Commission's APM.

conf. conf. conf. conf. ltr.

cc: Dale Mailhot
Rick Moses
Lisa Harvey
Carl Vinson
Lynn Fisher

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

July 10, 2006

David M. Christian, Vice President
Verizon – Regulatory Affairs
106 East College Avenue, Suite 810
Tallahassee, Florida 32301

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Christian:

Commission staff have advised that Confidential Document No. 05866-06, filed on behalf of Verizon Florida, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

KF

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Sally Simmons, Division of Competitive Markets and Enforcement

RECEIVED Demetria C Watts DATE 8-4-06

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

July 24, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1992)

FPSC, CLK - CORRESPONDENCE
☑ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

Mark A. Mansour, President
National Telecom
2400 East Commercial Boulevard, Suite 720
Fort Lauderdale, Florida 33308

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Mansour:

Commission staff have advised that confidential Document No. 04014-06, filed on behalf of National Telecom, can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Victor Cordiano, Division of Competitive Markets and Enforcement
Della Fordham, Division of Competitive Markets and Enforcement

DOCUMENT NO. DATE

03349-07 7/24/06
FPSC - COMMISSION CLERK

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

July 24, 2006

(CERTIFIED MAIL NO. 7004-1160-0004-5751-1992)

FPSC, CLK - CORRESPONDENCE
☒ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

Mark A. Mansour, President
National Telecom
2400 East Commercial Boulevard, Suite 720
Fort Lauderdale, Florida 33308

Re: Return of Confidential Document to the Source (Undocketed)

Dear Mr. Mansour:

Commission
National Telecom,

Please do not
material.

KF:mhl
Enclosure

SENDER: *COMPLETE THIS SECTION*	*COMPLETE THIS SECTION ON DELIVERY*
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.	A. Received by *(Please Print Clearly)* Y. ZHANE B. Date of Delivery 8/16/06 C. Signature X ☐ Agent ☐ Addressee D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
1. Article Addressed to: 04014-06 NATI400 333085253 1B05 03 08/02/06 NOTIFY SENDER OF NEW ADDRESS :NATIONAL TELECOM AND BROADBAND SERVI 2626 E OAKLAND PARK BLVD #400 FORT LAUDERDALE FL 33306-1668	☐ Mail ☐ Receipt for Merchandise
	4. Restricted Delivery? *(Extra Fee)* ☐ Yes
2. Article Number *(Transfer from service label)*	7004 1160 0004 5751 1992
PS Form 3811, March 2001	Domestic Return Receipt 102595-01-M-1424

cc: Victor Cordiano, Division of Competitive Markets and Enforcement
Della Fordham, Division of Competitive Markets and Enforcement

DOCUMENT NO. DATE
03349-07 7/24/06
FPSC - COMMISSION CLERK

Progress Energy

RECEIVED-FPSC
06 JUL 26 PM 3:22
COMMISSION
CLERK

July 26, 2006

Ms. Blanca S. Bayo, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

060000

Re: FERC Electric Quarterly Report Filing

Dear Ms. Bayo:

Attached is a paper copy of the Electric Quarterly Report for the 2nd quarter of 2006 filed at FERC by Florida Power Corporation d/b/a Progress Energy Florida, Inc. (PEF) on July 20, 2006. PEF is required to file this information each quarter in response to FERC Order No. 2001. Please contact me should you have any questions.

Sincerely,

Paul Lewis, Jr.
Director, Florida Regulatory Affairs

PL:lms
Attachment

cc: Lori Cross

Progress Energy Florida, Inc.
106 E. College Avenue
Suite 800
Tallahassee, FL 32301

Documentation forwarded to GCL (AH)

Kay Flynn

060000

From: Kirsten Olsen

Sent: Friday, July 28, 2006 5:07 PM

To: All PSC Staff; Commissioners & Staffs

Subject: PSC Partners With Phone Companies in Back-to-School Effort To Reach Low-Income Floridians

A news release was distributed this afternoon, 7/28/06, and is now available on the PSC website:

http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=107

Please note that all e-mails are subject to disclosure under Florida's public records law.

Kirsten L. Olsen
Office of Public Information
Florida Public Service Commission
Desk phone: 850-413-6457
Fax: 850-413-6458

State of Florida

Public Service Commission

NEWS RELEASE

July 28, 2006 **Contact: 850-413-6482**

PSC Partners With Phone Companies in Back-to-School Effort To Reach Low-Income Floridians

TALLAHASSEE — About two million applications for telephone assistance are being sent home with Florida public school children to reach Floridians who need help acquiring telephone service or paying the monthly phone bill.

The applications will be included in each student's back-to-school packet for his or her family. Applications are provided in English, Spanish, and Haitian Creole (Dade County only). The application is for enrollment in the Link-Up Florida and Lifeline Assistance programs. Link-Up Florida provides a 50% reduction in the telephone service hook-up charge, up to a maximum of $30. The Lifeline Assistance program provides up to a $13.50 credit on qualified residential local monthly phone bills.

Consumers are eligible for savings on their monthly phone bill if they participate in any of the following programs: Medicaid, Food Stamps, Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Federal Public Housing Assistance (Section 8), Low-Income Home Energy Assistance (LIHEAP), and National School Lunch Program – Free Lunch (BellSouth, Embarq, and Verizon customers only). If the consumer's household income is low, he or she may qualify for assistance by contacting the Office of Public Counsel at 1-800-540-7039.

This effort is co-sponsored by the Florida Public Service Commission (PSC), the Office of Public Counsel and Florida's telephone companies. The telecommunications companies participating in the effort are BellSouth, Embarq, Verizon, TDS Telecom, Windstream (formerly known as ALLTEL), NEFCOM, GT Com, ITS Telecommunications Systems, Smart City Telecommunications, and Frontier Communications.

Parents and consumers can learn more about Link-Up Florida and Lifeline Assistance by calling their local telephone companies, the Office of Public Counsel at 1-800-540-7039, or the PSC at 1-800-342-3552. Application forms may also be accessed via the PSC's Web site at www.floridapsc.com.

###

Website - http://www.floridapsc.com
Kevin Bloom, Director, Office of Public Information

060000-PU

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, C.P.A.
KATHERINE U. JACKSON, C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITLEIN, C.P.A.
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD
SUITE 200
CLEARWATER, FLORIDA 33765-4432
(727) 791-4020
FACSIMILE
(727) 797-3602
e-mail
cpas@cjnw.net

RECEIVED-FPSC
JUL 31 AM 10:41
COMMISSION CLERK

July 28, 2006

Ms. Blanca Bay'o, Director
Division of the Commission Clerk
and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

BY FEDERAL EXPRESS

RE: Lindrick Service Corporation
Notice of Intent to Increase Water
and Wastewater Rates Based on 2006
Index and Pass-Through Adjustments

Dear Ms. Bay'o:

On behalf of our client, Lindrick Service Corporation, please accept this letter as Notice of Intent to increase water and wastewater rates under the applicable provisions of the Index and Pass-Through provisions of Rules 25-30.120 and 25-30.425. I have enclosed an original and six copies of the following documents:

1. Accounting schedules showing calculation of the 2006 indexed increase and pass-through of increased purchased wastewater costs.

2. Copies of the Notice of Increase of purchased wastewater from the City of New Port Richey as well as copies of each monthly bill for the period June 2005 through May 2006.

In addition, I have enclosed an original Affirmation, one copy of revised Tariff sheets, one copy of the proposed customer notice, and one copy of the Statement of Quality of Service.

Lindrick Service Corporation does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Regulation or County Health Department.

forwarded to ECR

The Company waives its right to implement the pass-through portion of this notice in 45-days and requests this application be treated as a single filing subject to the normal 60-day rule.

Finally, Lindrick Service Corporation will not implement the increased wastewater rates until October 1, 2006, the effective date of the purchased wastewater increase from the City of New Port Richey.

Should you have questions regarding this notice of intent or the enclosed documents, please contact me.

Very truly yours,

CRONIN, JACKSON, NIXON & WILSON, CPAs

Bob

Robert C. Nixon

cc: Joseph R. Borda w/enclosures

RCN/dd

Enclosures

ORIGINAL

060000-pu

LAW OFFICES OF
PEREZ & PEREZ

GALLOWAY PROFESSIONAL CENTER
1105 SOUTHWEST 87TH AVENUE
MIAMI, FLORIDA 33174

TELEPHONE (305) 266-6799
TELEFAX (305) 266-6707

DISTRIBUTION CENTER
06 JUL 31 AM 7:28
RECEIVED-FPSC
06 JUL 31 AM 8:52
COMMISSION
CLERK

July 28, 2006

Mr. Jorge Zamora, Supervisor
Revenue Protection Dept.
Florida Power & Light Co.
9250 West Flagler Street
Miami, FL 33174

Sent via facsimile: 305-552-4831
& Hand-Delivered

Re:	**Our Client/Account Holder:**	**Marcos Chipi**
	Account Number:	**84602-65294**
	Home Address:	**841 East 15 Place**
		Hialeah, FL 33010-3343

Dear Mr. Zamora:

Please be advised that our firm has been retained by and represents Mr. Marcos Chipi in the matter of the disconnection of service of the above-referenced account, at: 841 East 15 Place, Hialeah, Florida 33010-3343.

Mr. Chipi advises us that you all came out approximately three (3) months ago and changed his electric meter, and subsequently, and very recently, changed the meter again. Documents we have been provided by Mr. Chipi indicate that he was sent a bill from your company, due for payment on August 7, 2006, in the amount of $668.62. Subsequently, and without notice, on July 26, 2006, Mr. Chipi's power at the above referenced location, was shut off and a letter was left at his address, claiming that $11,704.84 is due and required to be paid, for restoration of his electric service (a copy of which is attached for your reference).

CMP
COM
CTR
ECR 1
GCL 1
OPC
RCA
SCR
SGA
SEC
OTH

Once Mr. Chipi was in receipt of a Statement indicating a due date of August 6, 2006 for the amount of $668.62, FPL had no right to rescind said due date unilaterally, and without any form of valid notice to Mr. Chipi, violating his fundamental right to notice, and opportunity to be heard. From the foregoing, it is evident that Mr. Chipi's account with FPL was current at the time service was disconnected. FPL, being a public utility, enjoying the protections of the laws of the State of Florida, has acted in an unwarranted and irresponsible manner, violated Mr. Chipi's and the other residents of the home's, right to due process, in disconnecting his service, and only afterwards, alleging sums due, and of such an exorbitant amount, to boot. At the very least, Mr. Chipi was entitled to proper notice in order to be given the opportunity to address FPL's claim of said amounts due.

The circumstances of Mr. Chipi's residence deserve mention, because residents of his home have special medical conditions that cannot be properly tended to, without electric service in the home. First off, Mr. Chipi, himself is disabled. Secondly, he resides with Rafael Finales, who is diabetic, requiring refrigerated insulin daily. Last but not least, Mr. Chipi's grandmother, Maria Falcon, requires aerosol three (3) times daily, which obviously requires electric service to power the aerosol machine. Both of these elderly persons had to be removed, suddenly, abruptly, and without notice, and placed in temporary care of others, on an emergency basis, due to FPL arbitrary actions.

FPL has deprived Mr. Chipi and his family of essential electric service exposing him and the others residing in his home, massive inconvenience, medical emergency, health hazard, danger, embarrassment and economic losses.

Mr. Chipi wishes to resolve any claims FPL may assert via an amicable, civilized, orderly and lawful process, but such process cannot commence unless and until electric power is restored to Mr. Chipi's household. Should FPL fail to restore electric power to the Chipi residence by 5:00 p.m. tomorrow, Saturday, July 29, 2006, our firm reserves Mr. Chipi's right to initiate litigation against FPL and to seek all relief in equity under applicable state and federal law. Should such action become necessary, we shall seek economic, noneconomic, and punitive damages, litigation costs, and attorney's fees, and any and all other relief which the courts may deem proper.

We look forward to your prompt response and more importantly, the prompt restoration of Mr. Chipi's electric service.

Sincerely,

Renato Perez, Esquire

cc: Florida Public Service Commission (Via Facsimile: 800-511-0809 & U.S. Mail)
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

RP/nr
Enclosure

FPL

Florida Power & Light Company, P.O. Box 025209, Miami, FL 33102-5209

MARCOS CHIPI
Customer Name

841 E 1S PL
Service Address

84602-65294
Account Number

IMPORTANT INFORMATION REGARDING YOUR ELECTRIC ACCOUNT

A recent inspection of your electric service revealed an unauthorized meter condition at your residence/business. This irregularity has not allowed the actual use of electricity to be properly metered and billed to your account.

Due to this unauthorized meter condition your service has been disconnected.

- _____ The following amount is required to be paid in order for FPL to restore your electric service $_____. This amount represents an estimate of your electric usage that was not properly metered. We will recalculate the estimation based on more specific information as it becomes available and debit or credit your account as appropriate. You will receive a billing statement in the mail, which will reflect any adjustments.

- X The following amount is required to be paid in order for FPL to restore your electric service $ 11,704.84. This amount represents additional billing for electric usage that was not properly metered and includes expenses incurred by FPL to correct the condition.

- _____ In addition to your payment, the following work needs to be done by an electrician before FPL may restore your electric service: _____

Please contact the Revenue Protection Department at (305)552-3520 or _____ if you would like to report your payment or have any questions regarding this matter or the action taken.

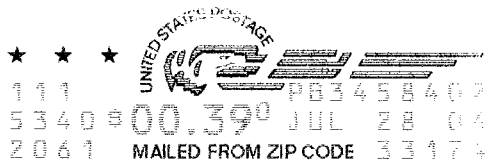
To report your payment and have your service restored after hours, please contact the customer service telephone number at the bottom of your FPL bill.

Revenue Protection Department

MR. TRUSILLO

You may also contact the Florida Public

Law Offices of Perez & Perez
Galloway Professional Center
1105 S.W. 87th Avenue
Miami, FL 33174



Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

32399+7019-40 C001

Kay Flynn 060000

From: Donna Jones

Sent: Wednesday, September 06, 2006 5:01 PM

To: All PSC Staff; Commissioners & Staffs

Subject: Ten-Year Site Plans and Related Issues Subject of Upcoming Workshop

A news release was distributed to the daily newspapers this afternoon, 9/06/06, and is now available on the PSC web site:

http://www.psc.state.fl.us/home/news/index.aspx?id=163

State of Florida

Public Service Commission

NEWS RELEASE

9/6/2006 **Contact: 850-413-6482**

Ten-Year Site Plans and Related Issues Subject of Upcoming Workshop

TALLAHASSEE — A workshop will be held Thursday, September 7, 2006 to discuss the state's future electricity needs and the 10-year site plans submitted by Florida's electric utilities. The Florida Public Service Commission has jurisdiction over the determination of the overall suitability of 10-year site plans pursuant to Section 186.801, Florida Statutes.

At the workshop, the Florida Reliability Coordinating Council (FRCC) will present information relevant to the 10-year site plans: Florida's electric load forecasts, generation additions that include proposed new coal-fired generating facilities, fuel usage by fuel type, and use of conservation and renewable generation resources. The FRCC will also discuss the transmission planning process and plans for future transmission projects in Central and Northwest Florida.

September 7, 2006 – 9:30 a.m.
Betty Easley Conference Center, Room 148
4075 Esplanade Way
Tallahassee, Florida

###

060000-OT

CORRESPONDENCE

David B. Erwin
Attorney At Law

127 Riversink Road
Crawfordville, Florida 32327

Telephone 850.926.9331
Fax 850.926.8448
daveerwin@hughes.net

September 12, 2006

RECEIVED-FPSC
06 SEP 13 PM 12:56
COMMISSION
CLERK

Blanca Bayo, Division of the Commission Clerk
& Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

In re: Indiantown Company, Inc. – 2006 Price Index and Pass Through

Dear Ms. Bayo:

Enclosed please find the original and five copies of the 2006 Price Index Increase and 2006 Pass Through Increase for Indiantown Company, Inc.

The application consists of the following:

1) Notice of Intent to Increase Rates;
2) Waiver of right to implement pass through within 45 days of filing;
3) Calculation of percentage increase in rates;
4) Schedule of Purchased Power Differences for the years 2005 and 2006;
5) Schedule of Annualized Revenues;
6) Schedule of present and proposed rates;
7) Notice to Customers;
8) Affirmations of June Molinari concerning earnings;
9) Revised tariff sheets to reflect price index for water and wastewater systems:

Water	Wastewater
Twenty-first Revised Sheet No. 17.0	Twenty-second Revised Sheet No. 18.0
Twenty-first Revised Sheet No. 18.0	Twenty-second Revised Sheet No. 19.0
Thirteenth Revised Sheet No. 19.1	

10) Electric Power & Consumption Charges;
11) Statement of Utility Measures to Conserve Electricity.

Thank you for your attention to this filing.

Sincerely,

David B. Erwin

FORWARDED TO ECR

Marguerite Lockard

060000-OT

From: Marguerite Lockard
Sent: Wednesday, August 02, 2006 1:25 PM
To: Dale Mailhot; Karen Belcher
Cc: Kay Flynn; David Brown; Denise Vandiver
Subject: RE: Undocketed Confidential RAFs Returns

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION:

Conf. DNs 13491-02
13492-02

ok, thanks.

From: Dale Mailhot
Sent: Wednesday, August 02, 2006 12:58 PM
To: Marguerite Lockard; Karen Belcher
Cc: Kay Flynn; David Brown; Denise Vandiver
Subject: RE: Undocketed Confidential RAFs Returns

I believe it is OK to return or destroy the two RAF returns from Allegiance.

From: Marguerite Lockard
Sent: Tuesday, July 25, 2006 8:59 AM
To: Karen Belcher; Dale Mailhot
Cc: Kay Flynn; David Brown; Denise Vandiver
Subject: RE: Undocketed Confidential RAFs Returns

ok....i'll wait to hear from him, thanks.

From: Karen Belcher
Sent: Tuesday, July 25, 2006 8:48 AM
To: Marguerite Lockard; Dale Mailhot
Cc: Kay Flynn; David Brown; Denise Vandiver
Subject: RE: Undocketed Confidential RAFs Returns

Marguerite, I heard that Dale is out until August 1st.

From: Marguerite Lockard
Sent: Tuesday, July 25, 2006 8:47 AM
To: Dale Mailhot
Cc: Kay Flynn; David Brown; Karen Belcher; Denise Vandiver
Subject: RE: Undocketed Confidential RAFs Returns

Dale,
ok with you ?
Marguerite.

From: Denise Vandiver
Sent: Thursday, July 20, 2006 5:07 PM
To: Marguerite Lockard; Dale Mailhot
Cc: Kay Flynn; David Brown; Karen Belcher
Subject: RE: Undocketed Confidential RAFs Returns

OK with me

From: Marguerite Lockard
Sent: Thursday, July 20, 2006 3:55 PM
To: Denise Vandiver; Dale Mailhot
Cc: Kay Flynn; David Brown; Karen Belcher
Subject: RE: Undocketed Confidential RAFs Returns

ok.....all of the below e-mails, please disregard.....i had the wrong declassification dates indicated for all the documents except for 2 listed below. (I will update/fix the declassification dates)

sooooooooooooooo.....the only 2 Confidential Documents up for destruction are: 13491-02 and 13492-02 (Allegiance Telecom of Florida).

Is it OK to destroy these 2 confidential documents ????

Marguerite.

From: Marguerite Lockard
Sent: Thursday, July 20, 2006 2:53 PM
To: Denise Vandiver; Dale Mailhot
Cc: Kay Flynn; David Brown; Karen Belcher
Subject: RE: Undocketed Confidential RAFs Returns

There is also one more confidential document up for destruction.

Confidential DN 01990-05 - BellSouth (Thrasher) - (CONFIDENTIAL) RAF form for TI554-03-0-R, 1/1/03 through 12/31/03 with P/I; Dep 537 dated 2/11/05.

Can Confidential DN 01990-05 be destroyed along with the 12 others listed below in the 7/10/06 e-mail ??

Marguerite.

From: Denise Vandiver
Sent: Monday, July 17, 2006 4:21 PM
To: Karen Belcher; Dale Mailhot
Cc: Marguerite Lockard; Kay Flynn; David Brown
Subject: RE: Undocketed Confidential RAFs Returns

We do not have any pending or planned audit s that would require saving these forms. If it's ok with Dale, it's ok with me!

Thanks
Denise

From: Karen Belcher
Sent: Monday, July 17, 2006 3:44 PM
To: Denise Vandiver; Dale Mailhot
Cc: Marguerite Lockard; Kay Flynn; David Brown
Subject: FW: Undocketed Confidential RAFs Returns

Denise/Dale, is it okay for these forms to be destroyed? We don't know if any audits are going on that would require for us to

keep these forms. Please respond to me or to Marguerite when convenient. Thanks.

From: David Brown
Sent: Monday, July 17, 2006 12:49 PM
To: Karen Belcher
Subject: FW: Undocketed Confidential RAFs Returns

Karen here is the email I was talking to you about earlier. Marguerite does mention in her email about the 3 fiscal years (how long we are requirded to keep the record), however I do not know if all audits have been closed. Thanks....

From: Marguerite Lockard
Sent: Monday, July 10, 2006 12:49 PM
To: David Brown
Cc: Valorie Moore; Kay Flynn
Subject: Undocketed Confidential RAFs Returns

CCA has the following undocketed confidential RAFs returns that are eligible for destruction. CCA's criteria for their destruction date(s) is per retention schedule 4.20, which calls for 3 fiscal years retention from closure of docket, providing all applicable audits have been released.

Please review the confidential documents listed below and let me know if its OK to destroy them or if they need to be retained longer with the Commission.

thanks,
Marguerite.

13491-02 - Allegiance Telecom of Florida, Inc. (Ross) - (CONFIDENTIAL) Letter dated 2/1/02 claiming confidentiality of "enclosed information" and forwarding payment of 2001 RAFs for TJ282. [CCA note: Letter will be treated as confidential; no information was enclosed.]

13492-02 - Allegiance Telecom of Florida, Inc. (Ross) - (CONFIDENTIAL) Letter dated 2/1/02 claiming confidentiality of "enclosed information" and forwarding payment of 2001 RAFs for TX342. [CCA note: Letter will be treated as confidential; no information was enclosed.]

00751-03 - Allegiance Telecom (Kurlan) - (CONFIDENTIAL) 2002 ALEC RAF payment (TX342); Deposit D292 dated 1/23/03.

00753-03 - Allegiance Telecom (Kurlin) - (CONFIDENTIAL) 2002 IXC RAF payment (TJ282); Deposit D292 dated 1/23/03.

01095-03 - Focal (Reinhart) - (CONFIDENTIAL) 2002 IXC RAF (TJ081); Deposit D298 dated 1/31/03.

01097-03 - Focal (Reinhart) - (CONFIDENTIAL) 2002 ALEC RAF (TX186); Deposit D298 dated 1/31/03.

01142-03 - Unites States Advanced Network, Inc. (Corddry) - (CONFIDENTIAL) 2002 IXC RAF payment (TJ226); Deposit D298 dated 1/31/03.

01279-03 - Cbeyond Communications, LLC (Corddry) - (CONFIDENTIAL) 2002 IXC RAF payment (TJ421); Deposit D300 dated 2/3/03.

01281-03 - Cbeyond Communications, LLC (Corddry) - (CONFIDENTIAL) 2002 ALEC RAF payment (TX486); Deposit D300 dated 2/3/03.

01283-03 - Comcast Business Communications, Inc. (Corddry) - (CONFIDENTIAL) 2002 IXC RAF payment (TI203); Deposit D300 dated 2/3/03.

01285-03 - Comcast Business Communications, Inc. d/b/a Comcast Long Distance (Corddry) - (CONFIDENTIAL) 2002 TA RAF payment (TA061); Deposit D300 dated 2/3/03.

01287-03 - BellSouth Long Distance, Inc. (Corddry) - (CONFIDENTIAL) 2002 IXC RAF payment (TI554); Deposit D300 dated 2/3/03.

Marguerite McLean

From: Vic Cordiano
Sent: Monday, August 07, 2006 8:47 AM
To: Marguerite Lockard
Subject: RE: TX273 - Qwest

FPSC, CLK - CORRESPONDENCE
__Administrative__Parties__Consumer
DOCUMENT NO 03349-07
DISTRIBUTION:

Thanks.

-----Original Message-----
From: Marguerite Lockard
Sent: Monday, August 07, 2006 8:05 AM
To: Vic Cordiano
Cc: Kay Flynn; Tabitha Hunter
Subject: RE: TX273 - Qwest

I can not accept any confidential information through fax or e-mail.the company needs to file the information normally through the clerk's office.

-----Original Message-----
From: Vic Cordiano
Sent: Sunday, August 06, 2006 2:32 PM
To: Marguerite Lockard
Cc: Tabitha Hunter
Subject: FW: TX273 - Qwest
Importance: High

-----Original Message-----
From: Vic Cordiano
Sent: Sunday, August 06, 2006 2:32 PM
To: Tabitha Hunter
Subject: TX273 - Qwest

data verified/ready for input. Marguerite, although the company should know better not to email confidential info because emails are public and are open to disclosure, the company emailed the above files to me. Would you be able to file as confidential or do I need to let the company know to send a notice of confidentiality along with the info to the Clerk's office directly?

Matilda Sanders

3

From: Janice Banka
Sent: Tuesday, August 08, 2006 2:19 PM
To: CCA - Orders / Notices; Jane Faurot; Sandy Simmons
Subject: Order / Notice Submitted

Date and Time: 8/8/2006 2:17:00 PM
Docket Number: Undocketed - Review f Ten-Year Site Plans of Electric Utilities
Filename / Path: 2006/tysp06comworkshop.kef.doc
Notice Type: Workshop

125 ✓

Notice of Commission Workshop.

Number of pages in Notice - 3.

Thanks "J"

139/11

Janice R. Banka
Deputy Clerk
Florida Public Service Commission
Office of the General Counsel
Economic Regulation Section
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
850-413-6210 (voice)
850-413-6211 (fax)
jbanka@psc.state.fl.us

060000

Handout by
Dan Hendrickson
for Sierra Club
8/15/06 ag. conference

THE ROLE OF SUPPLY, DEMAND AND FINANCIAL COMMODITY MARKETS IN THE NATURAL GAS PRICE SPIRAL

Prepared for

MIDWEST ATTORNEYS GENERAL NATURAL GAS WORKING GROUP (ILLINOIS, IOWA, MISSOURI, WISCONSIN)

Prepared by

MARK N. COOPER, Ph.D.

MARCH 2006

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EXECUTIVE SUMMARY

Background Context of the Study

This report examines the factors underlying the recent upward spiral of natural gas prices. It paints a very different picture than the one we frequently see on television, read in the press or hear in testimony at legislative or regulatory proceedings. The easiest way for all parties to avoid responsibility is to blame tightness in the physical market and invoke Mother Nature – the weather and geology:

- Demand is soaring or skyrocketing.
- Supply is constrained by nature and public policy.
- Financial markets send efficient price signals to balance supply and demand.

This is a simple story, which is often repeated because it is easy to sell; **unfortunately, it is, at best, half true.**

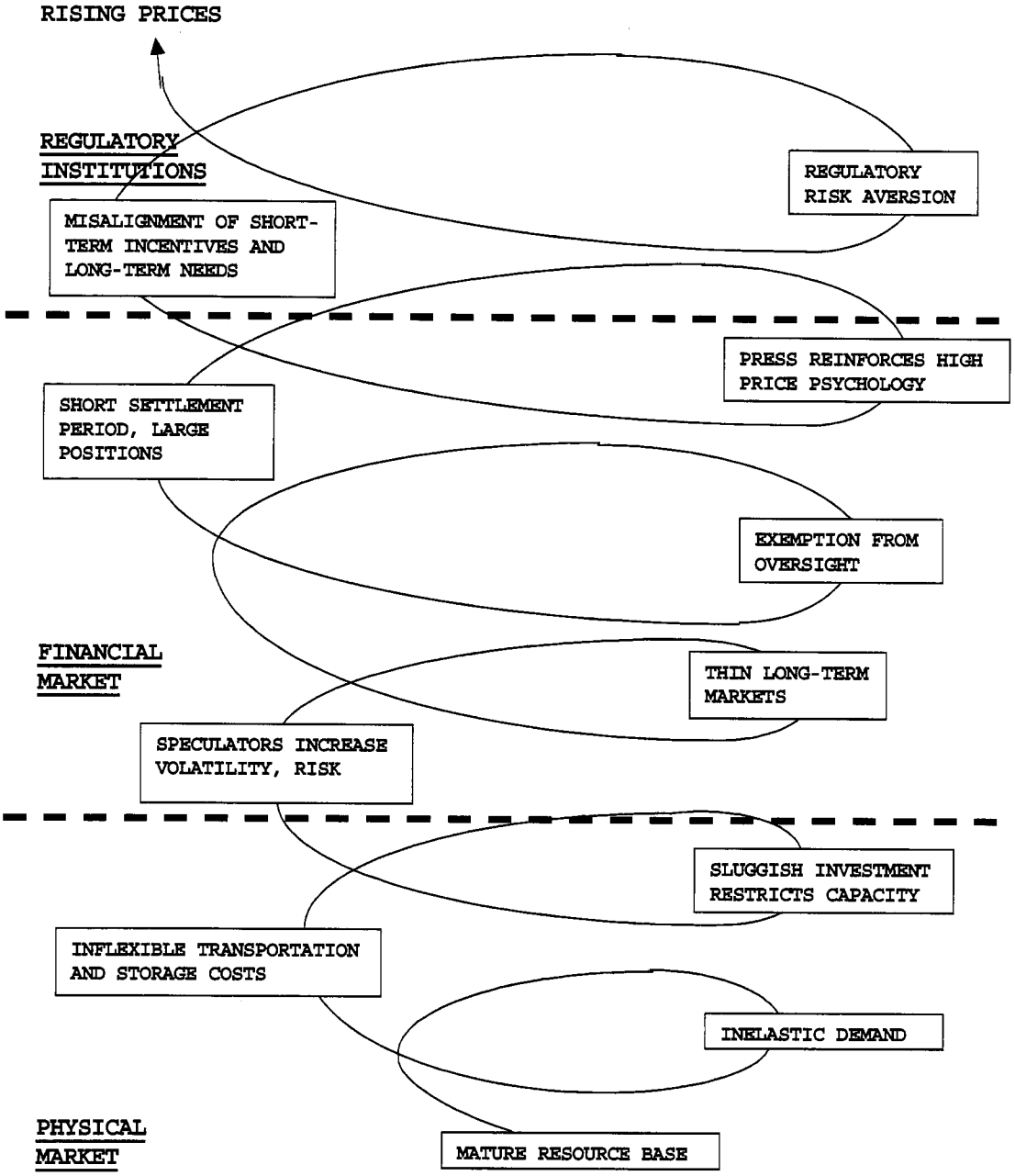
The reality is much more complex (see Exhibit ES-1). Many factors in natural gas physical and financial markets have interacted in an upward spiral to raise natural gas prices to far higher levels than they should be. Although the simple explanation/excuse is easy to tell, the more complex story is just too important not to tell. The frenetic, upward spiral of natural gas prices deeply affects household budgets and economic activity. Consider the following:

- The wellhead price of natural gas in the six-year period of 2000-2005 increased by over **$400 billion dollars** compared to the previous six years.
- Winter heating bills in the Midwest this winter are projected to be up by **$250 per household**, or 28 percent, compared to last winter, despite a 5 percent decline in consumption. They are up by over **$600** compared to five years ago.

If we do not look behind the half-truth, half-hype smokescreen of the headlines, consumers will continue to pay a lot more for natural gas than they should. The public discussion must be expanded to include the other factors that have been powering the upward ratchet of natural gas prices since the start of the 21st century. We must do this not simply because high prices are harmful, but also because specific policy mistakes made in the past have helped to cause the current problems. There are policy measures that can and should be taken in the future to reduce the upward spiral.

Beyond the staggering sums at stake, two fundamental observations provide the background for this analysis:

EXHIBIT ES-1: CAUSES OF SPIRALING NATURAL GAS PRICES



First, the widespread reliance on natural gas commodity markets to set the price paid by consumers is an extremely recent phenomenon, just over 15 years old. As evidenced by the wild, irrational swings in natural gas prices, these new markets have not worked very well. They are deemed to be 'inefficient' in technical academic studies and have a history of manipulation, abuse and misreporting.

Second, natural gas has supply and demand characteristics that make it vulnerable to abuse and volatility, yet the markets in which wholesale natural gas prices are set are less regulated than many other commodity markets. Many in the industry believe these markets lack transparency and are vulnerable to abuse and manipulation. Regulators have failed to lay these concerns to rest because the vast majority of gas trading is subject to little monitoring or oversight. While regulators and policymakers have been scrambling to reform the market rules for this commodity, they have yet to impose comprehensive oversight and accountability.

Physical market fundamentals – a tight supply/demand balance – are not adequate to explain either the short-term or long-term behavior of natural gas prices. This does not mean that tight markets do not matter – of course they do – but identifying physical market fundamentals is only the beginning of the story, not the end.

- Tight markets reflect public policies and strategic behaviors, not just Mother Nature. To the extent that Mother Nature is a wild card, policymakers can and should create systems that are less vulnerable and better able to mitigate the impact of supply shocks.
- Natural gas commodity markets have exhibited erratic behavior and a massive increase in trading that contributes to both volatility and the upward trend in prices. The rules can be changed to moderate these effects.
- The incentive structures and distribution of bargaining power in the physical and financial markets for natural gas are unnecessarily tilted against the consumer. Public policy can and should ensure a better balance.

When we look for answers, we end up in Washington, D.C., where jurisdiction over the interstate natural gas system at issue resides. All of the major determinants of the wildly fluctuating price of natural gas in recent years – the physical (wellhead and pipeline) markets and the financial commodity markets – are under federal authority, but policy makers have failed to take the steps necessary to protect the public.

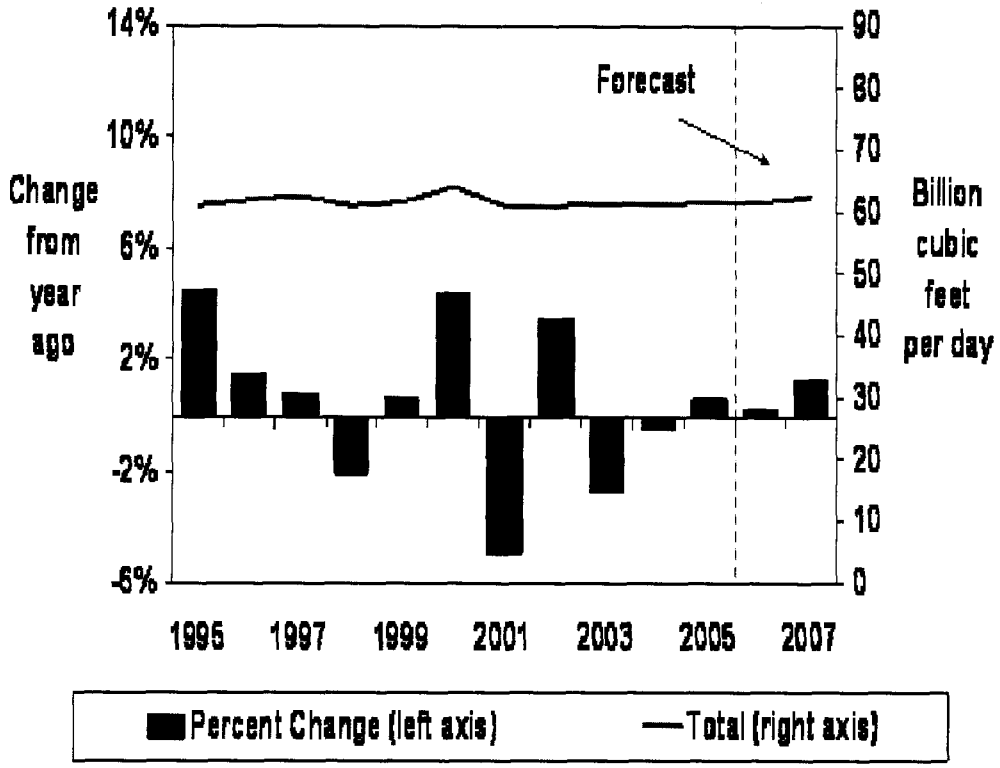
Physical Market Fundamentals

The long-term fundamentals of supply and demand do not support the current high price of gas.

- Demand has **not** been "surging," "soaring" or "skyrocketing," as is frequently reported in the press (see Exhibit ES-2). Over the past ten years it has been relatively flat, with a slight moderation of the winter peak. Over the past three years, it has declined slightly.

EXHIBIT ES-2: NATURAL GAS DEMAND: 1995-2005

Figure 12. Total U.S. Natural Gas Demand Growth



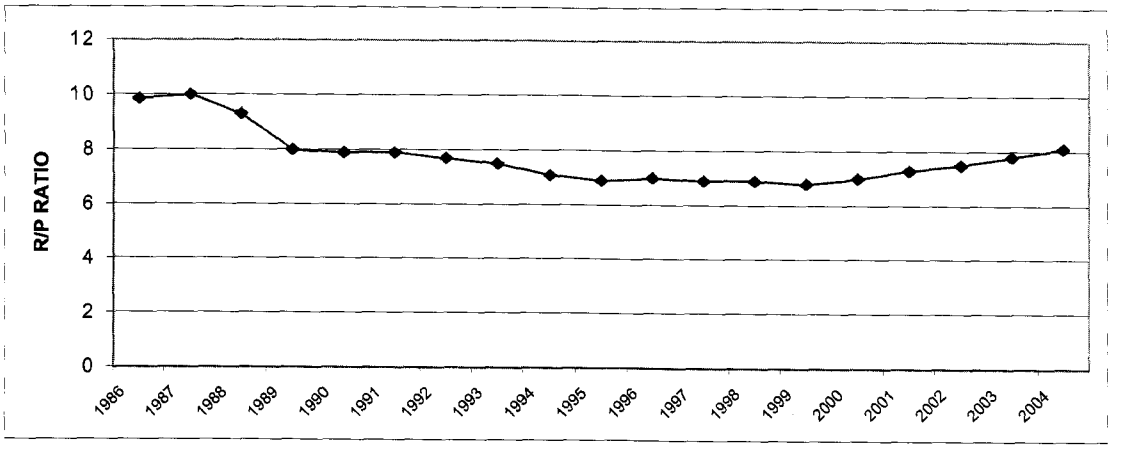
Short-Term Energy Outlook, January 2006

www.eia.doe.gov

- Although supply reserves were drawn down in the late 1980s and 1990s and have become harder to find, in recent years reserve additions have been growing (see Exhibit ES-3). The reserve-to-production ratio has been increasing for the past six years.
- The long run cost of producing gas (even when using the high-end estimate of such cost) is far below the current price being paid.

Short-term conditions of supply and demand also do not support the current high price of gas:

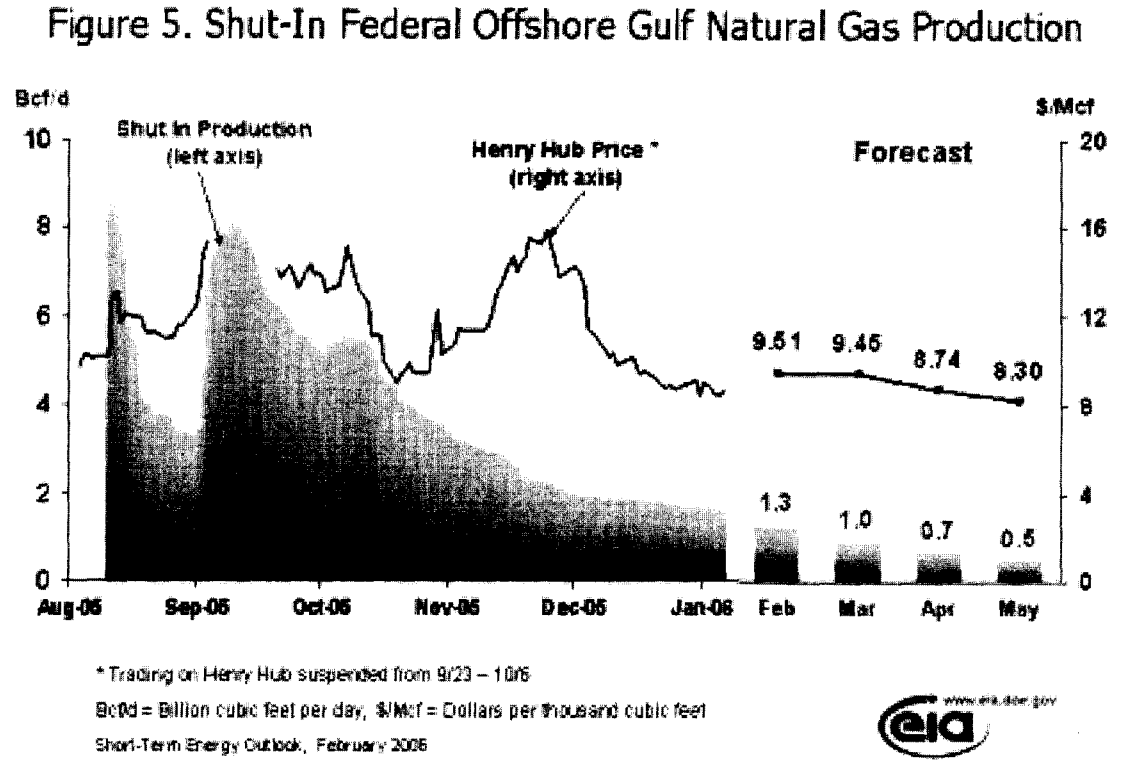
EXHIBIT ES-3: NATURAL GAS RESERVE TO PRODUCTION RATIO



Source: Energy Information Administration, database.

- Notwithstanding the effects of recent hurricanes, supply and demand are now about where they were last year or two years ago (both down a little, with demand down more than supply) (see Exhibit ES-4).

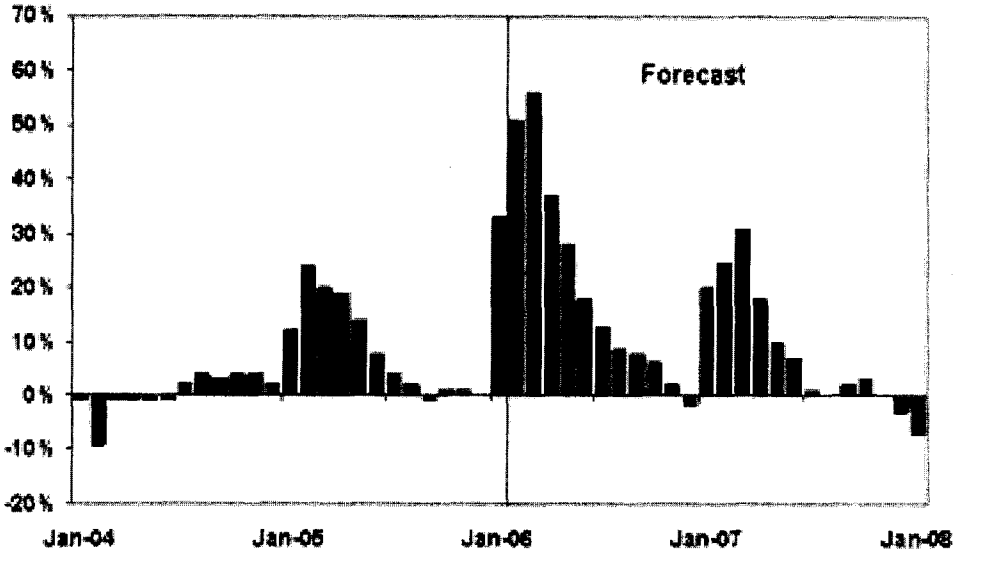
EXHIBIT ES-4: HURRICANES AND PRICES



- Gas in storage is at or near record levels for this time of year, up over 50 percent compared to the last couple of years (see Exhibit ES-5).

EXHIBIT ES-5: DRAMATIC INCREASE IN STORAGE

Figure 12. U.S. Working Natural Gas in Storage
(Percent Differences from Previous 5-Year Average)



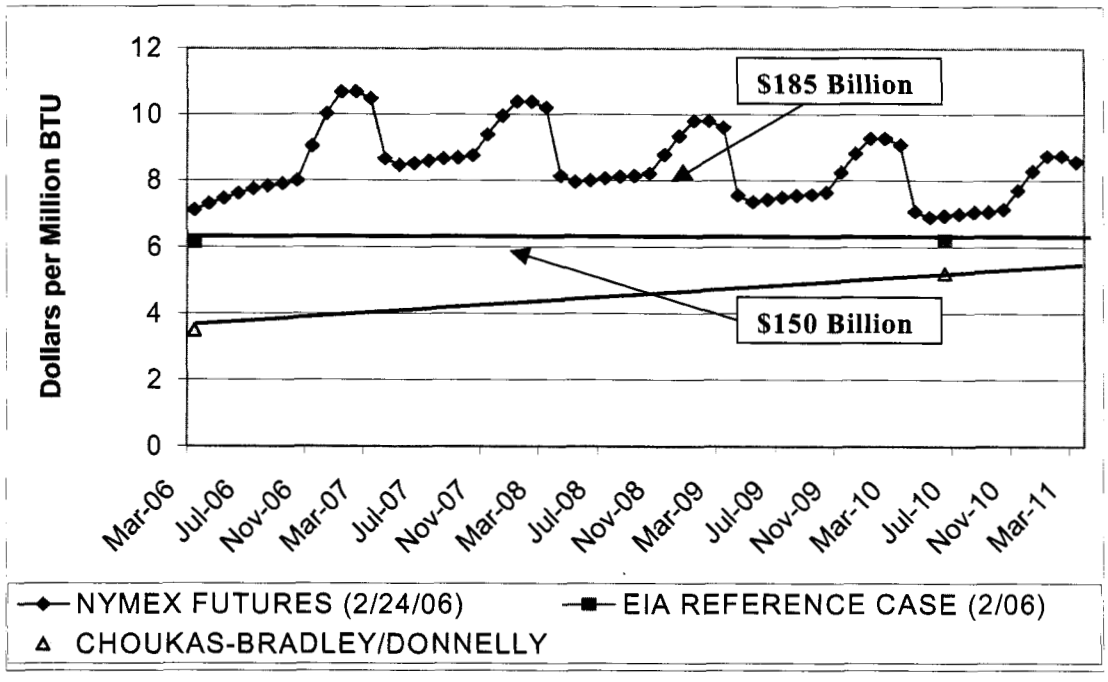
Short-Term Energy Outlook, February 2006

- Traditional supply and demand analysis would suggest that prices should be similar, or even a little lower than they were over the past two years, yet prices are running about $3.00 higher, up over **60 percent** at the wellhead and in the spot market.
- Future prices are even higher still, running about 40 percent above current prices. They are about twice as high as the estimated long run costs of production.

Assurances that things will settle down three or four years in the future are cold comfort. A $3.00 price difference costs consumers about **$5 billion per month**. The massive increases in cash flow enjoyed by the industry in recent years have not been used to expand supply. Sluggish investment keeps supplies tight.

Exhibit ES-6 captures the essence of this concern by contrasting the February 2006 Energy Information Administration (EIA) natural gas projected prices (really production costs) with the futures prices for the next five years, at the settlement of the March 2006 contract

EXHIBIT ES-6: PRODUCTION COSTS VS. SPOT PRICES
(Nominal Dollars)



Sources: NYMEX, 2/24 March 2006 settlement and Futures prices. Energy Information Administration, *Annual Energy Outlook: 200,* p. 155 for gas prices; p. 161 for price indices.

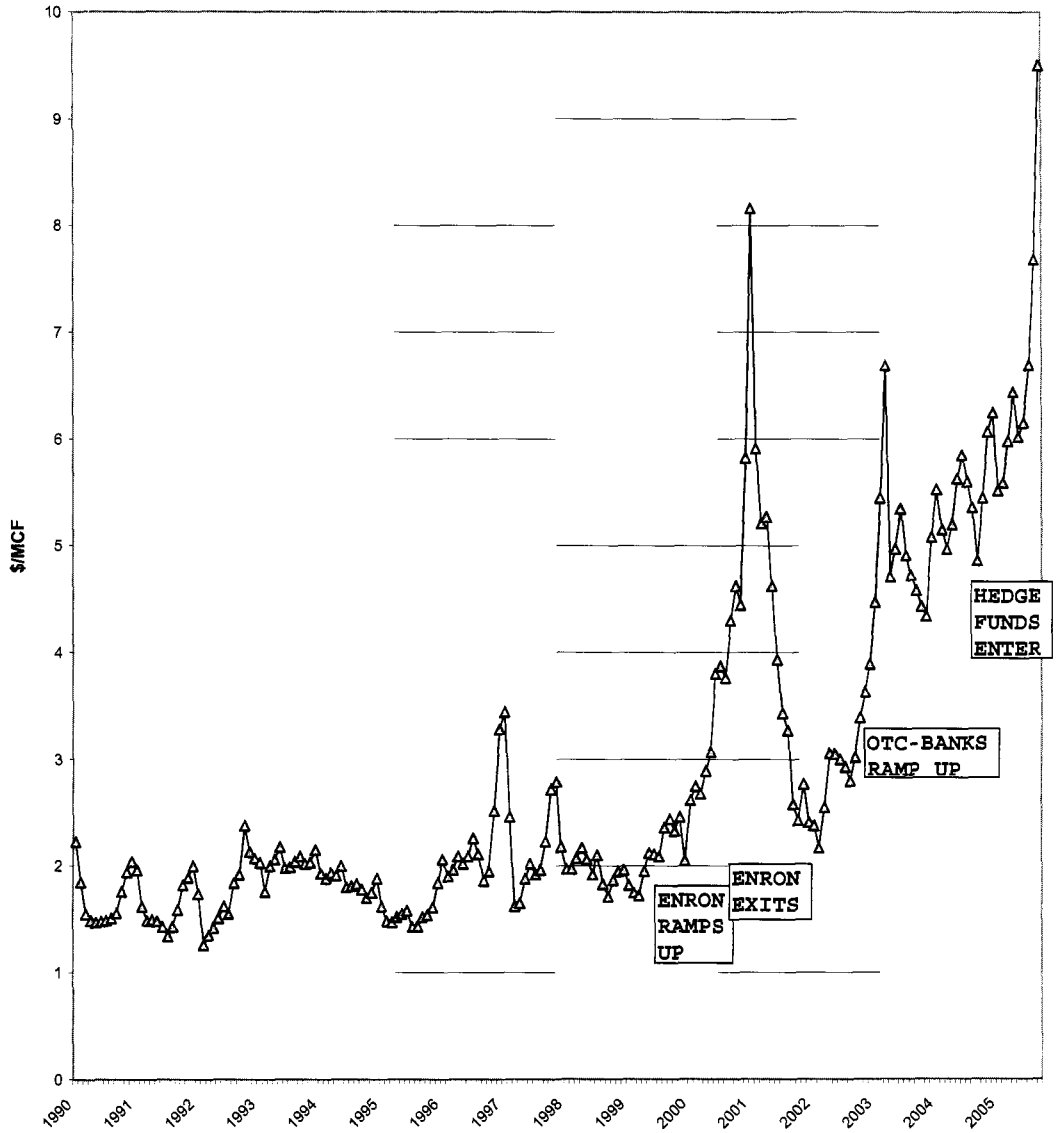
(February 24, 2006). Should the future prices become reality, there is a huge gap between those NYMEX prices and the underlying resource costs of about $185 billion dollars over the five-year period. The stakes are just too high for policymakers to scratch their heads and say, we'll see. The EIA's projection of costs is actually well above other estimates. Thus, the stakes are in the hundreds of billions of dollars.

Financial Markets Compound the Problem

There is a striking correlation between large increases in trading and increases in the volatility and level of natural gas prices (see Exhibit ES-7). Each time trading ramps up, prices ramp up as well. There seems to be a roller coaster and a ratchet. Prices rise rapidly, then decline, but eventually come to rest at a steadily higher base price.

Natural gas trading takes place in unregulated, over-the-counter (OTC) markets and lightly regulated exchanges, like the New York Mercantile Exchange (NYMEX). The physical commodity is traded in some cases – cash transaction – but financial instruments called derivatives that do not involve the transfer of actual ownership of the underlying commodity have become very prominent. There are concerns about both the OTC and the NYMEX.

EXHIBIT ES-7: WELLHEAD PRICES AND CHANGES IN TRADING ACTIVITY



Source: Energy Information Administration, *Natural Gas Database.*

There are several ways in which financial markets may be magnifying the upwardly volatile spiral of prices and contribute to the ratchet:

- Financial markets thrive on volatility and volume, but volatility and volume have costs. Producers of gas demand to be paid a higher premium to bring their gas to market sooner rather than later. Traders demand to be rewarded for the risks they incur, risks that are increased by the trading process itself.
- The influx of traders fuels volatility and raises concerns about abusive or manipulative trading practices.

Econometric analyses of the natural gas markets in recent years raise important questions as to how well the natural gas markets work. Given the uncertainty about the functioning of these markets, the claim that the market price is always "right" because it is the market price should be questioned:

- The economic analysis does not support the claim that these markets operate efficiently to establish prices.
- Risk premiums, which raise the price substantially (10 to 20 percent), are high and rising.
- Prices are well above the underlying costs of production.

The operation of financial markets is no accident. Trading reflects the rules that are established – by law and through self-organization. The most troubling aspect of natural gas trading is that policymakers really cannot decipher what goes on:

- The majority of transactions take place in markets that are largely unregulated.
- These over-the-counter markets, reported in unaudited, unregulated indices, are a major factor in setting the price of natural gas. And these unaudited, unregulated markets have behaved very poorly in recent years, with numerous instances of misreporting of prices.

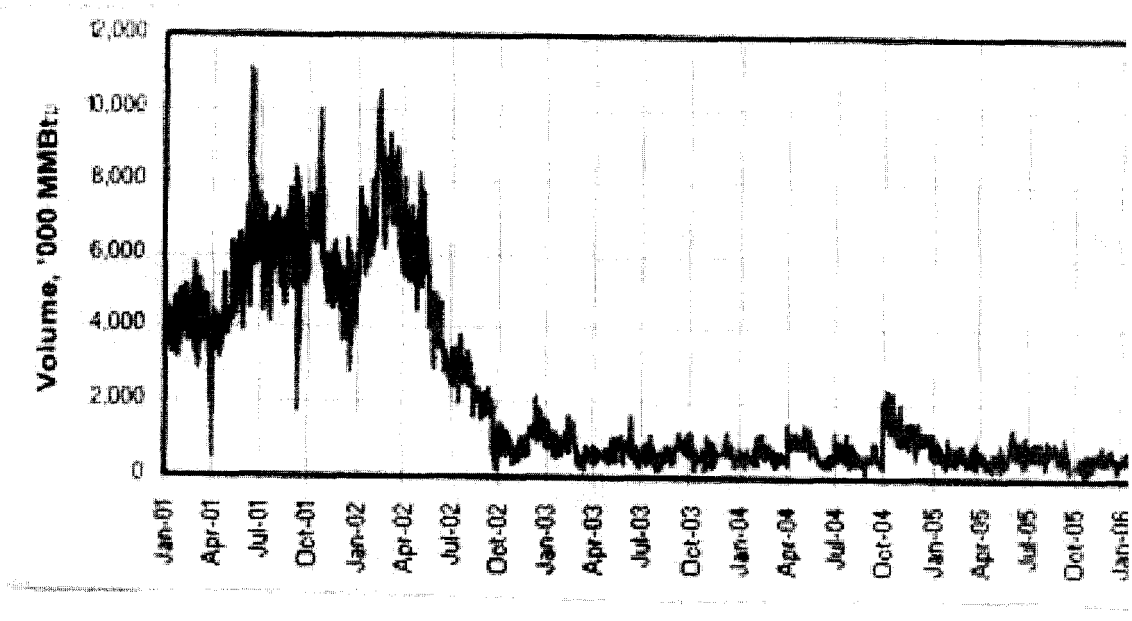
Even where there is light-handed regulation, the rules are inadequate to protect the public:

- A small number of large players can influence the price that consumers pay in a very short period of time and under circumstances that place the consumer at risk.
- Index prices are often based on a small number of self-reported transactions and there are no mechanisms for determining if such transactions represent an accurate sampling of the natural gas market. When even the hint of accountability was imposed by merely being asked to certify the veracity of reported transactions, traders stopped reporting (see Exhibit ES-8). The Exhibit below shows dramatically this phenomenon. The actual volume of trading did not dry up. Only the reporting of the volume did.

Thus, while some may be satisfied with recent market reforms and enforcement efforts, many others are not. The natural gas market lacks the most basic elements of transparency that are necessary to send proper price signals.

- The sad irony is that the markets for natural gas (a commodity which is a vital necessity for many Americans) are subject to far less regulation than most other commodities, most of which are far less crucial to consumers' everyday lives. Most people can live without pork bellies, soybeans or orange juice; but they cannot live without natural gas for heating.

EXHIBIT ES-8: GAS DAILY HENRY HUB REPORTED VOLUME



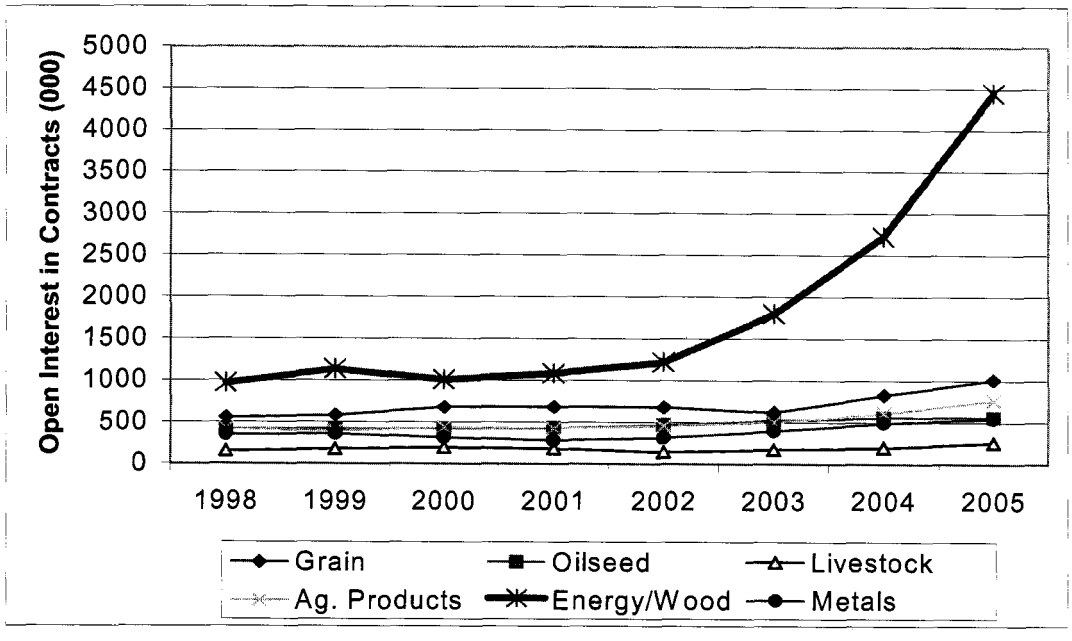
Source: Gas Daily.

Looking at the level of activity in the energy exchanges makes it hard to think that energy is just another ordinary commodity. The massive influx of traders and hedge funds has pumped up trading to astronomical levels. Exhibit ES-9 shows just the increase in the average number of open contracts (i.e. contracts entered into but not yet liquidated by an offsetting trade or physical delivery) at the end of the month over the past eight years. The remarkable growth in energy trading compared to other physical commodities is striking. Even this picture underestimates the increase in energy trading. The dollar value of these trades has increased much faster than the other commodities and off-exchange swaps for the agricultural commodities **are restricted and much less common** except in a very limited number of circumstances. In contrast, unregulated trading plays a very prominent role in natural gas markets.

PUBLIC POLICY

While the story is complex, the bottom line is relatively simple. Things do not have to be this bad and the steps necessary to improve the situation do not involve the usual prescription about biting the bullet until the supply-side comes around. More can and should be done.

EXHIBIT ES-9: COMMODITY TRADING OF NON-FINANCIAL INSTRUMENTS (Average Monthend Open Interest)



Source: Commodity Future Trading Commission, Annual Reports: Futures Statistics by Major Commodity Group.

Over-the-Counter market: Unlike bankers and brokers in organized markets, traders in the over-the-counter market do not have to register or demonstrate their competence or good character. They do not have to report their holdings or positions. They can buy and sell this vital commodity/necessity with little capital or collateral to back up their promises. These markets need better oversight:

- Increased scrutiny could be achieved by requiring that traders in all the natural gas markets register and report their transaction and positions. Traders should be competent and not have a history of abusive trading.
- Natural gas traders should have the resources to meet their commitments and stand behind their trades, as bankers are required to do.
- Regulators should be able to see all markets so they can detect efforts to manipulate or exploit any individual market, including large transactions and large positions.

Exchanges: Even in organized exchanges where natural gas traders have to register, report and show financial and managerial competence, the rules are too lax. Market rules should discourage unproductive trading and be particularly on guard at moments of vulnerability in the natural gas markets:

- This can be accomplished by establishing reasonable limits on positions and ensuring that settlement periods are liquid and long.
- Vigorous oversight and stiff punishment of manipulation and abuse should be meted out swiftly.

Because state policy deals with local distribution utilities, it is difficult to drive change in the system from the buying end, where the primary concern is to make sure consumers have adequate gas to heat their homes. Nevertheless, there are certain measures that state governments can take to address the market concerns:

- States can create pressure for trading reforms by requiring their utilities to deal only with traders who are subject to oversight and who register, report and are audited.
- Mechanisms to promote long-term stability of commitments, transportation, storage and supply should be explored.
- States can also encourage utilities to be more aggressive in holding costs down, but the challenge is to find approaches that do so without exposing consumers to excessive risk.

The position of the major oil companies with large holdings of natural gas physical assets, dominance of natural gas marketing, and active involvement in natural gas financial markets poses a serious threat to consumers. Inadequate investment in exploration over the course of a decade or more contributed to the tight supply conditions. The massive windfall of cash flow in recent years dulls the incentive for the majors to supply gas to the market. They can keep it in the ground and hold out for higher prices. They are under no pressure to sign long-term contracts, except at extremely high prices. As major marketers and traders, they can move markets.

The fact that the majors straddle these markets, several of which are lightly regulated or entirely unregulated, compounds the problem, because their ability to profit by taking contrary positions in various markets is hidden from regulators. Policymakers must have the information necessary to make informed judgments about whether the major oil companies are exercising market power strategically in the long-term, and unfairly exploiting the tight markets they have helped to create in the short term.

A joint task force of federal and state antitrust and regulatory authorities should be formed to examine:

- the regional concentration of natural gas supplies;
- the behavior of the majors as marketers;
- behaviors of the major oil companies across all of the markets in which they are involved in physical as marketers, over-the-counter and in exchanges as traders.

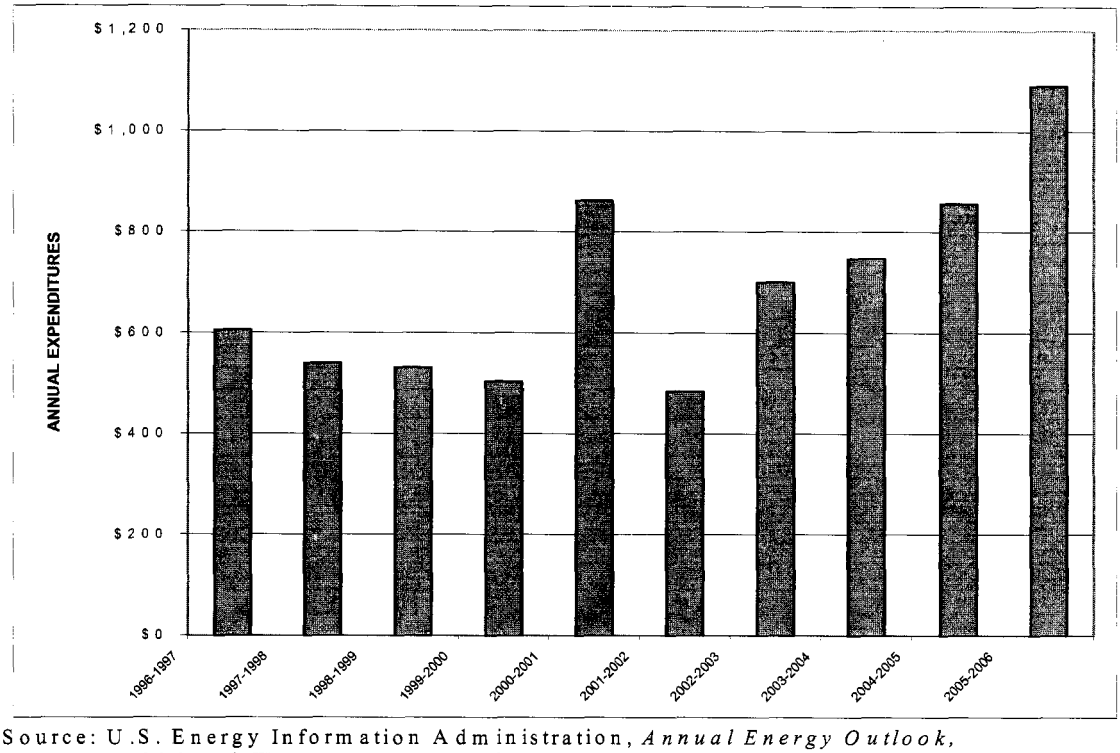
I. HUGE STAKES IN A "WACKY" MARKET

A. Cause for Concern

1. A Staggering Burden

In February of 2006 the U.S. Department of Energy estimated that during the winter of 2005-2006 the typical household in the Midwest that heats with natural gas would face bills that would average about $1100 (see Exhibit I-1). An extremely warm winter kept consumption lower than normal, but the increase in the typical bill is still about $250 compared to the previous winter, and $600 since the winter of 2001-2002.

EXHIBIT I-1: WINTER HEATING BILLS IN THE MIDWEST



Source: U.S. Energy Information Administration, *Annual Energy Outlook*, February 2006 and *Winter Heating Bills*, various issues.

Natural gas cost increases for agriculture and industry, where gas provides not only heat and hot water but is also used as an input and for processing, have been similar. The American Chemical Council, representing the "largest industrial user of natural gas,"[1] expressed

concern about the sharply rising price of natural gas... Natural gas prices "were sky-high before the storms" – more than doubling since May and up six-fold in the last five to six years. Since the hurricanes, they are up 67%. The U.S. price is the highest in the industrialized world – more than $12/MMBtu [as of late September] and five to ten times the price in some other countries. "U.S. manufacturers simply cannot compete in the global market when the price of a key input is so much higher here."[2]

The impact of the cost increases at the household and business levels has been devastating, but the aggregate sums are even more staggering. In the six years since the turn of the century (2000-2005) the wellhead price of natural gas is up by $400 billion compared to the prior six years (1994-1999). Unlike petroleum products, where a significant part (about 50 percent) of any price increase goes to foreign raw material owners, the overwhelming majority (about 85 percent) of natural gas price increases goes to domestic companies.

2. Wacky, Strange, Odd, Erratic Prices

Prices are not only high; they are also

- " a disaster... a bit of a Gong show," September 23, 2005,[3]
- "out of control," November 18, 2005,[4]
- "unusual," November 30, 2005,[5]
- "wacky," January 25, 2006;[6]
- "frenetic," February 6, 2006[7]
- "strange," February 14, 2005;[8]
- "a roller coaster," February 21, 2006.[9]

While these descriptions in the popular and trade press are striking, the fact that regulators with responsibility for oversight of various parts of the industry described pricing as "odd" and "erratic" at the winter meeting of the National Association of Regulatory Utility Commissioners is a source of even greater concern.[10] Indeed, "the unusual set of circumstances has made it particularly hard for FERC [Federal Energy Regulatory Commission] analysts to draw a clear picture of how markets are truly behaving – and why."[11]

Energy Daily described the pricing patterns that were the source of these observations as follows:

Several weeks of unseasonably warm weather have left large amounts of gas stockpiled in U.S. reservoirs, pushing prices steadily down to an average of $8.85 per mmBtu during the second week of January.

According to officials at the Federal Energy Regulatory Commission (FERC) however, that is probably as low as prices will go in the short term.

If true, that would produce an uncommon pattern: gas prices bottoming out in the peak of winter – when gas demand is usually highest for heating – and rising slightly with the approach of spring, typically a period of very low natural gas prices....

Even if gas prices remain soft throughout the winter, however, customers may see only limited benefits from the surprisingly soft gas prices. [12]

From the consumer point of view, the wackiest aspect of $8.85 gas may not be the inversion of winter/spring prices or the lock-in of high prices through hedging, but the fact that $8.85 is considered a "soft" price. Even the continuing decline of spot prices to around $7.00 by mid-February did not really eliminate the consternation. Just four years earlier January gas was selling for about $2.25 per thousand cubic feet (mcf). An additional source of consternation stems from the fact that in the middle of December 2005, the Energy Information Administration (EIA) had revised its estimate for the production cost of gas upward to about $5.50 per million British thermal units (mmBtu).

EIA's estimate, which is considerably higher than the $4.50 estimates of others,[13] suggests that a massive premium, above the full cycle resource costs of production, is being paid for gas. Even more troubling from the consumer point of view is the fact that futures prices are well above the "soft" spot prices (see Exhibit I-2). March 2007 and 2008 prices are over $10.00, twice the cost of production. Hundreds of billions of dollars are at stake.

There should be little surprise, then, that the public urgently wants an answer to a simple question –

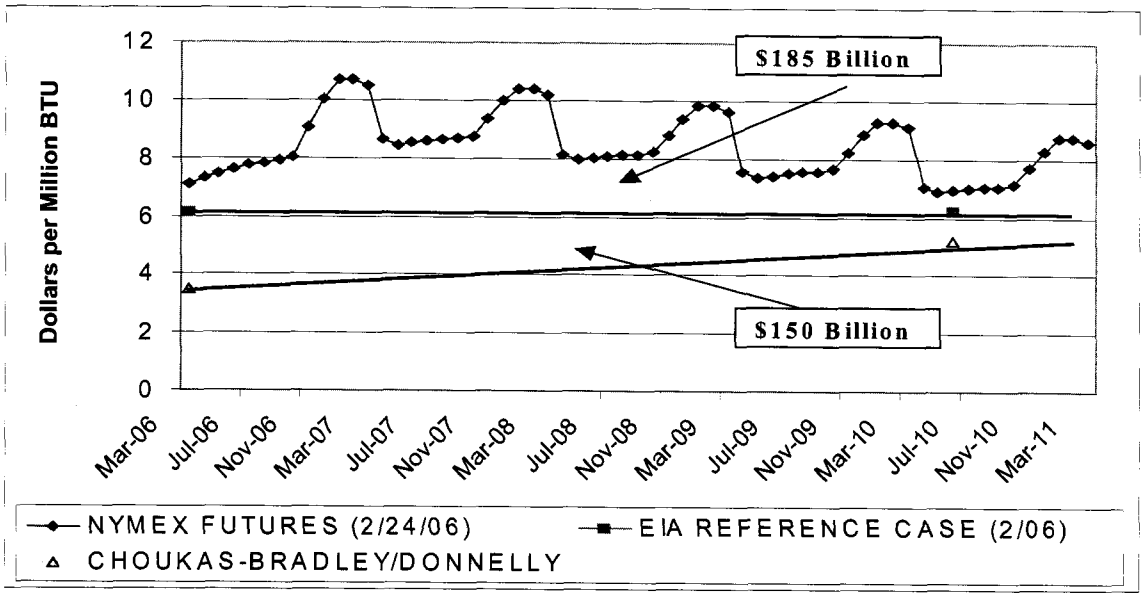
How did this happen?

B. A Complex Spiral of Price Increases

Whenever natural gas prices spike, the major players start pointing fingers. The large oil companies report huge profits and receive a great deal of attention. Tightness in the physical market is blamed. The easiest way for all parties to avoid responsibility is to invoke Mother Nature – the weather and geology.

- Demand is soaring[14] or skyrocketing.[15]
- Supply is constrained by nature and public policy.[16]
- Financial markets send efficient price signals to balance supply and demand.[17]

EXHIBIT I-2: PRODUCTION COSTS VS. SPOT PRICES
(Nominal Dollars)



Sources: NYMEX, 2/24 March 2006 settlement and Futures prices. Energy Information Administration, *Annual Energy Outlook: 200*, p. 155 for gas prices; p. 161 for price indices.

This is a simple story, often told by regulators and in the popular press that is, less than half true. The reality is that a complex spiral of factors has been driving prices to unprecedented and unjustified levels (see Exhibit I-3).

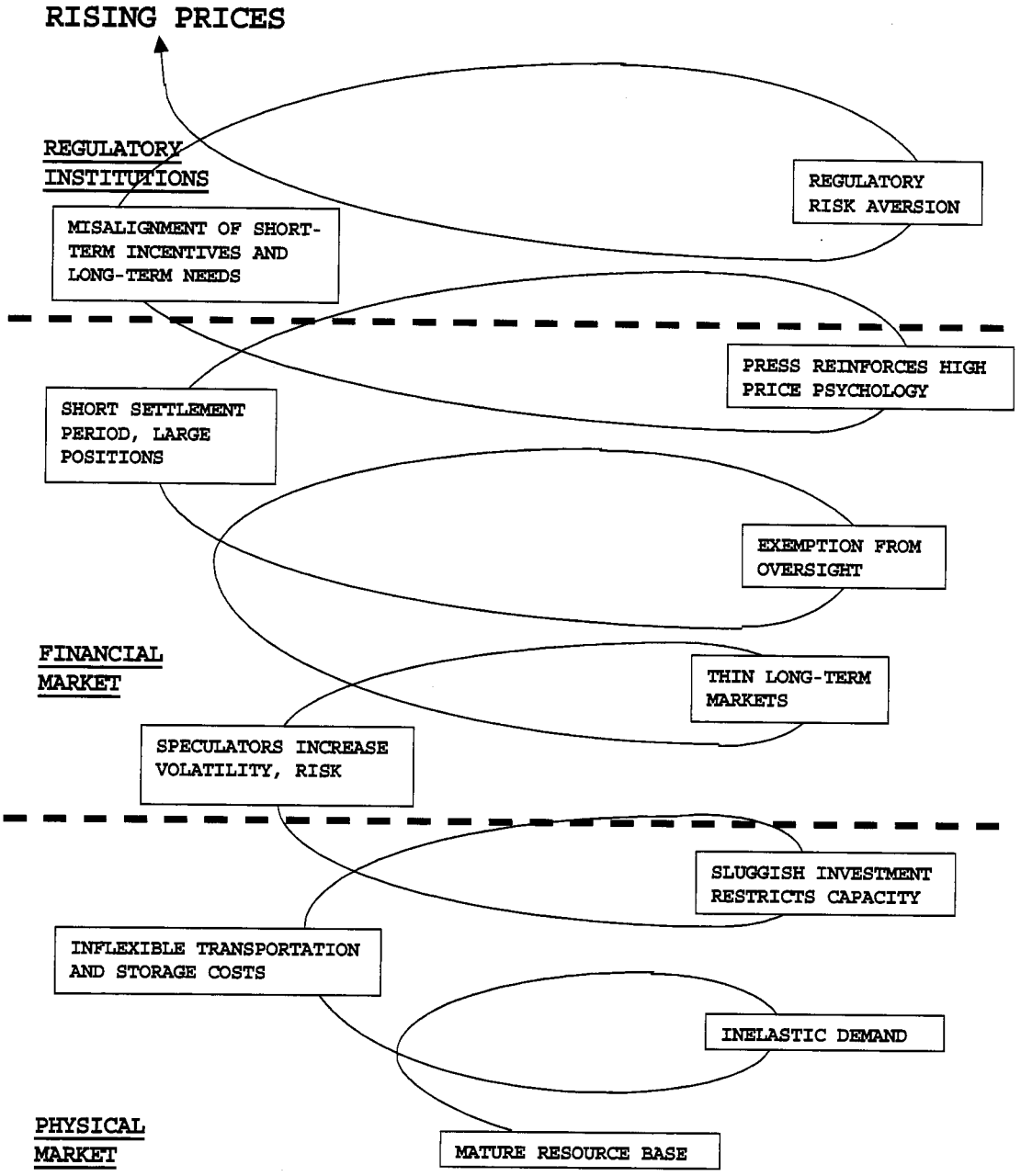
1. Physical Market Fundamentals

Weather certainly affects this market – winter cold, summer heat, hurricanes – but in the past year careful analysis indicates that the weather's divergent effects have largely cancelled each other out. This conclusion stands in stark contrast to news reports that have greatly over-hyped the weather's impact on prices.

- Demand is not surging by any stretch of the imagination. For the past decade, it has been relatively flat.

- The hurricanes that reduced production capacity in the Gulf region, for instance, also shuttered demand, so the loss to the market was smaller than anticipated. Moreover, mild weather in the rest of the country kept demand down, so storage was high and the net available supply had not been sharply reduced. This was clear to anyone who was paying careful attention almost immediately after the events took place.

EXHIBIT I-3: CAUSES OF SPIRALING NATURAL GAS PRICES



Weather can only be a small part of the problem.

Supply is just part of the problem. While it is true that the natural gas resource base is mature, this is more of an excuse than an explanation. In fact, the resource base is stable and the supply-side fundamentals are not consistent with current high prices.

With slowly growing demand, a well functioning market should adapt smoothly. There is no clear picture or consensus on what the production cost of natural gas is in the long term, but it is certainly nowhere near the levels that have been charged at the wellhead in recent months. Moreover, to the extent that production capacity has been tightening, that is not solely the result of geology. It also reflects investment decisions.

2. Financial Commodity Markets

Thus, the story on fundamentals is a lot more complex, and troubling, than the simple "tightness" refrain would suggest. But if physical tightness is not a sufficient answer, what else is driving prices up? There is growing concern that a second culprit, the financial commodity trading markets, may be contributing to high and volatile energy prices.

The *New York Times,* in a recent front-page Business Section article entitled "Energy Trading, Without a Certain E,"[18] described the current activities of energy hedge funds against the backdrop of the impending Enron trials, noting that "some industry officials question whether the funds are contributing to higher energy prices, or at least stoking more price volatility."[19]

While the "E" in the *New York Times* headline was intended to refer to Enron, which is gone but for a few pending fraud trials, it actually could stand for two more important "Es," energy or equity. Huge sums of energy futures contracts are traded without being backed by the underlying assets or equity. Because there are few requirements for backing, entry is extremely easy and trading can escalate rapidly. There has been a stampede of traders into energy markets. As more and more traders and huge sums of money enter the market, there is a concern that the price may be bid up, as suggested by the *New York Times*:

> But with the revival comes questions from some financial market analysts about whether energy trading will be better able to withstand another potential meltdown... The latest ramp-up in trading has also been marked by an air of secrecy underscored by the proliferation of hundreds of hedge funds that are speculating on everything from crude oil to electricity in both regulated and unregulated markets. Many funds are being aided by investment from banks, which are also buying up distressed power plants and other remnants of the collapsed sector.[20]
>
> A debate continues to rage about whether the hedge funds are contributing to higher energy prices. The hedge funds are borrowing as much as 10 times what they invest in some trades, analysts and traders say, contributing to short term

volatility that has complicated the energy purchases of many large energy users.[21]

This quote suggests the complexities of natural gas financial markets. First, large quantities of natural gas are traded in two kinds of markets: over-the-counter (OTC) and on exchanges. "The OTC market refers to a collection of traders, brokers, and other market participants which are interested in a given commodity, security, or derivative, and trade it among themselves and not on an exchange."[22] The OTC market is unregulated. The exchanges are regulated, but many believe that regulation is too lax.

Second, the juxtaposition of hedge funds and large users highlight the distinction between financial instruments (known as derivates) and the physical commodity. A derivative is "a financial instrument, traded on or off an exchange," that involves "the trading of rights or obligations based on the underlying product, but do not directly transfer property."[23]

Third, the quote also highlights the essential characteristic of derivatives. "Unlike their respective underlying commodities... however, derivatives are sometimes preferred as a trading tool for their leveraging capability. Leverage, in financial terms, is the effect of magnifying the outcome of an investment through the use of borrowed funds (credit)."[24]

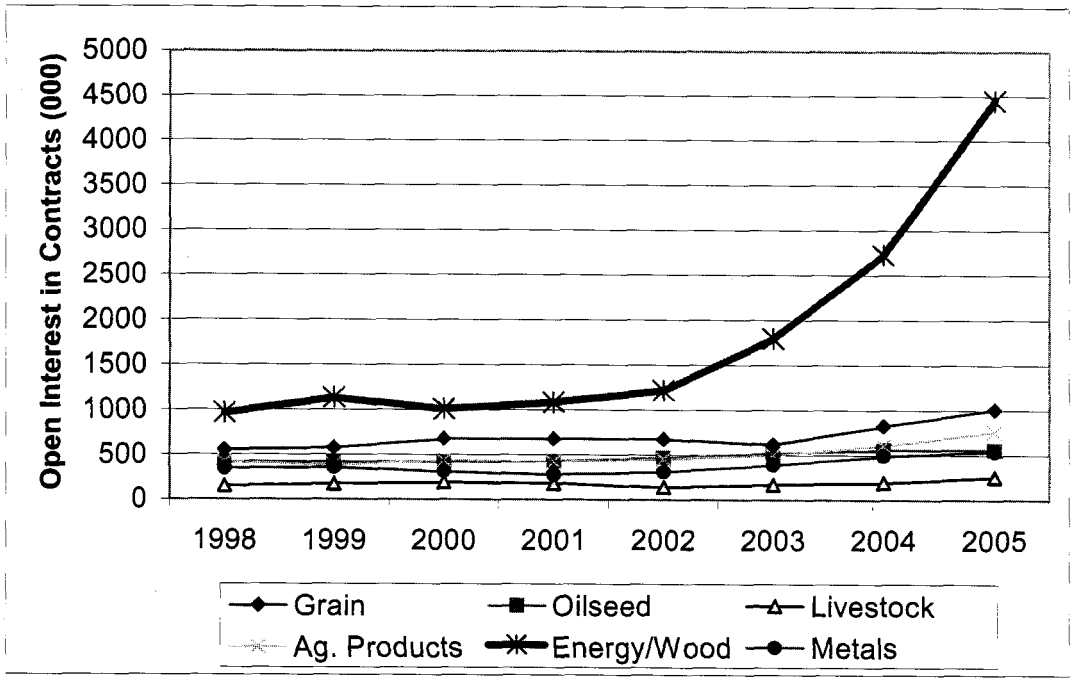
Throughout this analysis the term "financial markets" is used to cover this broad range of markets, transactions and issues. There are policy issues and concerns swirling around exchanges and over-the-counter market, as well as derivatives and the reporting of cash market transaction.

The uniqueness of energy commodity markets can be readily seen in the astronomical level of financial activity that has taken place in these markets (see Exhibit I-4). Month-end open interest contracts as shown in the Exhibit are futures contracts at the end of the month that have been entered into but not liquidated by an offsetting transaction. The amount of open interest in futures on energy at U.S. futures markets (measured in the number of contracts) increased by about 3 million between 2002 and 2005. For all the other non-financial commodities, the increase was just over 1 million.

Even this comparison significantly underestimates the magnitude of the increase in commodity market activity in energies. The dollar value of these energy futures contracts has increased much more rapidly than for other commodities. Moreover, while the off-exchange (or over-the-counter) trading in agricultural derivatives is not significant, that for energy derivatives is.

There are so many plots and subplots in a multitude of settings that it is difficult to present a simple story or know where to begin. We state the obvious when we observe that the physical markets are tight and the financial commodity markets are extremely upwardly volatile. Some people hear the first part – tight physical markets – others hear the second part – volatile financial commodity markets. The real danger may lie in the intersection of the two.

EXHIBIT I-4: COMMODITY TRADING OF NON-FINANCIAL INSTRUMENTS (Average Month-end Open Interest)



Source: Commodity Future Trading Commission, Annual Reports: Futures Statistics by Major Commodity Group.

In the past six years just about everything that could go wrong in the natural gas market has gone wrong.

C. Where to Look for Answers

If the complex spiral of natural gas is the right explanation, then the policy response will have to be complex as well. While policymakers cannot do anything about the weather, they can certainly attempt to build systems that are less vulnerable to and mitigate the impact of uncontrollable events. Physical market and financial market policies that dampen price increases can and should be implemented.

Behind the headlines of high-energy bills and the roller coaster of natural gas prices lies a complex story that is largely hidden from public view. The main action plays out on two large, national stages: the physical market and the financial commodity markets.

When we look for answers, we end up in Washington, D.C. Jurisdiction over the wholesale natural gas system lies squarely in the nation's capitol. Both major determinants of the wildly spiraling price of gas, the physical (wellhead and pipeline) markets and the

financial commodity markets, are under federal authority and that is where the opportunity for fashioning the most critical policies lies.

The state regulatory arena plays a lesser but nonetheless important role because the behavior of utilities, who purchase large quantities of gas for their customers, is influenced by regulatory policy.

Asking the hard questions in Washington does not yield good answers, however, because much of the wholesale natural gas industry is lightly regulated or not regulated at all. Close examination of price behavior and econometric analysis of natural gas market performance suggest that we have no real grasp on how these markets work and a lot of evidence that they are dysfunctional. We certainly do not have the most elementary data on who is playing in the market and how it is being played. The vast majority of energy trading is conducted under circumstances that keep policymakers and regulators in the dark. Thus, regulators cannot answer the most basic questions.

Who is trading and how much?

What are they doing?

What should they be doing?

What should they not be doing?

D. Approach and Outline

Physical market issues tend to receive the greatest attention because consumers see the prices in their monthly bill and the big oil companies, who produce most of our natural gas, post their profits on a quarterly basis. The financial commodity markets receive much less attention because their construction and execution are hard to grasp, while much of their operations are shrouded in secrecy. Many of these players do not have to report their profits publicly and the way these markets affect consumers' energy bills is indirect, although substantial.

When oil companies report profits that are likely to exceed $100 billion this year, it will receive front-page headlines, as past reports of record profits have. But when the commodity market trading shop of a single bank reported a bonus pool for 2005 of $11 billion, the story was buried deep in the business section (if it was reported at all). When hundreds of completely unregulated hedge funds trade hundreds of billions of dollars (perhaps as much as a trillion dollars) of natural gas futures, without ever taking delivery of a single molecule of natural gas, it deserves some attention too, but this activity is hidden behind a veil of secrecy in unregulated hedge funds and trading in over-the-counter derivatives markets. Natural gas may be traded over 30 times before it is consumed (i.e. the volume of trading

exceeds the volume consumed by 30 times), fueling the suspicion that this trading drives up transaction costs and increases volatility.

Therefore, this analysis flips the emphasis around. It views the current situation in natural gas markets and energy markets in general through the lens of change in financial commodity markets. In taking this view, three things are eye catching:

- As noted, although trillions of dollars of transactions take place in these markets, they are largely unregulated in the over-the-counter markets; receiving little regulatory scrutiny, detailed attention in the press, or extensive analysis in academic literature.

- The escalation of trading activity coincides with not only the increase in volatility, but also the upward movement of prices.

- For natural gas these markets are of very recent origin and have a troubled, history. Trading in natural gas futures on the New York Mercantile Exchange (NYMEX), which has become the most influential exchange of its kind, began in early 1990. Large over-the-counter (OTC) trading, ushered in by Enron, began in earnest in 2000, rapidly spun out of control, and quickly crashed. After a period of calm, trading and prices took off again.

The analysis proceeds as follows:

Section II briefly describes the nature of the physical commodity and the fundamentals of the physical market as the context for the operation of the financial markets. The basic characteristics of the commodity affect the nature of its production, distribution and use, as well as set the context for financial markets. It begins by discussing the characteristics that make energy commodities vulnerable to price spikes, exploitation and manipulation. It shows that demand has been steady, but investment in supply has been sluggish. Examining estimates and projections of the cost of production, it finds that the current prices are well above long-run economic costs. It also demonstrates that the current short-run supply situation does not justify the high prices. In sum, while the tight supply-demand situation accounts for some of the recent increases in price, prices are far above where the physical fundamentals suggest they should be.

Section III examines the movement of natural gas prices in the financial markets. It recounts the history of natural gas prices over the last decade and a half, pointing out the coincidence between prices, trading, and public policy decisions. It describes this history in two acts. The first covers the period from the beginning of natural gas trading through the collapse of Enron. The second covers the resurgence of commodity trading after a period of post-Enron quiet. The massive abuse of the Enron era is gone (we hope) but prices are still "wacky." Recent experience suggests that problems in the natural gas market persist, beyond the fraud that occurred during the Enron period. The section then discusses factors that may move prices in natural gas markets.

Section IV presents a discussion of uncertainties and doubts about the behavior of natural gas markets based on academic and trade analyses. It reviews general, theoretical concerns, as well as the academic literature of concerns about financial markets. It concludes with an examination of anecdotal and academic evidence of anomalies in the natural gas market.

Finally, Section V offers recommendations for policy-oriented examination and reform of natural gas market.

ENDNOTES

[1] Foster Report, No. 2560, September 29, 2005, p. 5).
[2] Id.
[3] Platts, *Gas Daily,* September 23, 2005, p.
[4] Platts *Gas Daily,* November 18, 2005, p. 2.
[5] Chernoff, Harry, "Unusual Signals form the Natural Gas Markets, *Energy Pulse,* November 30, 2005.
[6] Beattie, Jeff, "Warm Winter Brings Wacky Price Pattern to Natural Gas Market," *Energy Daily,* January 25; see also Platts *Gas Daily,* February 14, 2006, p. 2.
[7] Platts, *Gas Daily,* February 6, 2006.
[8] Platts, *Gas Daily,* February 14, 2006, p. 3.
[9] *Wall Street Journal,* February 21, 2005, p. C-1; see also Platts, *Gas Daily,* February 6, 2006, p. 2.
[10] Beattie, "Wacky," p. 1.
[11] Platts *Gas Daily,* February 14, 2006, p. 3.
[12] Beattie, "Wacky," pp. 1...4.
[13] Energy Information Administration, *Annual Energy Outlook: 2006,* February 2006; Choukas-Bradley, James R. and Michael Donnelly, *A Report on Projected Natural Gas Prices and Dynamics of the Natural Gas Market for 2005 and Beyond,* February 11, 2005.
[14] David J. Lynch, "Natural Gas Treads a Global Path: USA's Soaring Use Means Growing Reliance on Imports – which, If Handled Well, Could Mean Lower Prices," *USA Today,* December 20, 2005, A-1.
[15] Fischer, Ben, "Fueling the Fire," *Wisconsin State Journal,* February 12, 2006, p. C-6.
[16] Federal Energy Regulatory Commission, *High Natural Gas Prices: The Basics,* February 1, 2006.
[17] Brown-Hruska, Sharon, *Crisis Regulation: Reacting to High Energy Prices*, before the University of Houston Global Energy Management Institute, January 26, 2006.
[18] Alexei Barrionuevo, "Energy Trading, Without a Certain 'E'," *New York Times,* January 15, 2005, p. 3-3.
[19] Id., p. 3-3.
[20] Barrionuevo, "Energy Trading," p. 3-3.
[21] Id., p. 3-3.
[22] Sturm, Fletcher J., *Trading Natural Gas* (Tulsa: PennWell Publishing Company, 1997).
[23] Commodity Futures Trading Commission, *A Glossary.*
[24] Sturm, p. 31.

II. PHYSICAL MARKET FUNDAMENTALS CREATE A VULNERABLE COMMODITY

To tell the complete story of natural gas prices we must understand the problems in the physical market and how they interact with financial markets. The analysis of the financial commodity markets must proceed within the context of the general nature of the commodity.

Energy commodities in general, and natural gas in particular, are produced and delivered under conditions that make them UNIQUE. Some of the practices and institutions that might be appropriate or acceptable for other commodities do not fit the situation of natural gas. The physical conditions of supply and demand interact powerfully. This is true for both "market forces" and behaviors that seek to manipulate or move markets. As the author of a comprehensive economic theory ABOUT manipulation of commodities noted, "the profitability of manipulation varies with certain structural variables, such as transportation costs, demand and supply elasticities, commodity flows, storage costs, and intertemporal consumption preferences."[1]

In the natural gas market, a number of structural variables are arrayed to the disadvantage of the consumer. Some of these structural variables are inherent in the nature of the technology of finding, delivering and using the commodity. Some of the structural variables are directly the result of public policy choices and strategic actions.

Basic conditions on the supply-side of the physical market include the low elasticity of supply and important sources of friction in the delivery of the product – high transportation and storage costs, as well as constraints on transportation and storage options. Basic conditions on the demand-side include a low elasticity, lack of substitutes, and a strong seasonality of demand. Market structural conditions that reflect public policy include concentration and the ownership of the commodity by large traders, as well as institutional factors that constrain actions by important market participants. This section examines the physical market, starting from the burner tip (demand) and working back through the delivery infrastructure to the wellhead (supply).

A. DEMAND

1. Consumption

A tight market for a commodity like natural gas is dangerous for consumers. Natural gas is a vital necessity, which means that it has a low price elasticity of demand and a moderate-income elasticity of demand. As the price rises, it is very difficult for consumers to cut back and they suffer a loss in welfare as the cost eats up a larger part of their income. Residential consumers use natural gas primarily for heating and, increasingly, indirectly for electricity. Demand is generally predictable in a seasonal pattern. The amount consumed by

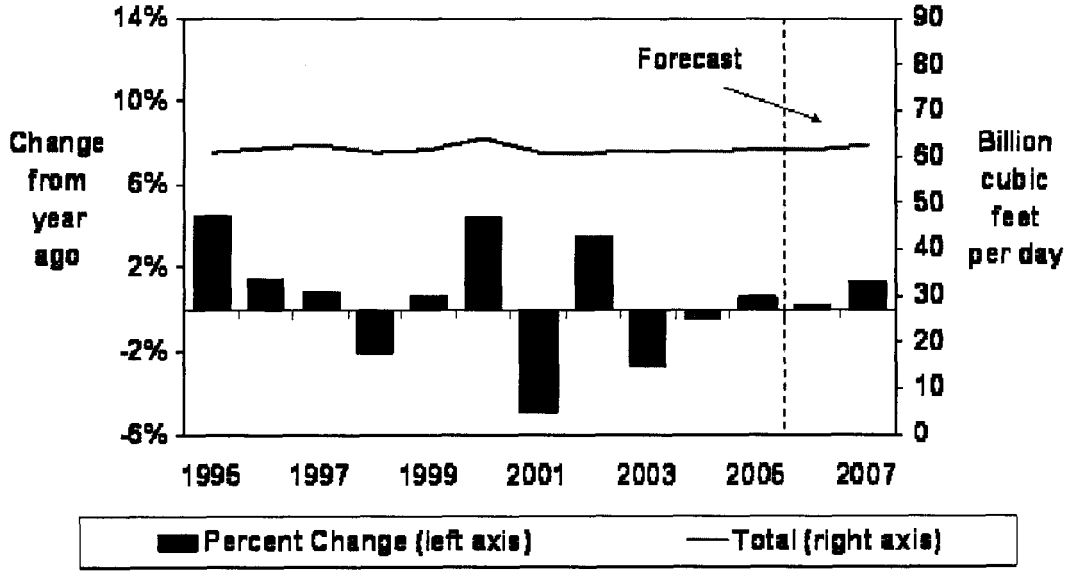
residential users is dictated in large part by the kinds of buildings in which they live and work and the energy efficiency of the appliances they use. Natural gas is a feedstock for industrial uses for which substitution is difficult, at best. Natural gas has been the fuel of choice in the electricity industry for about a decade, particularly for facilities to meet peak demand. This increased consumption by gas-fired generating plants shifted the pattern of demand more heavily into the summer months. As a result, it has become more expensive to put gas in storage in preparation for the winter heating season.

Demand is quite inelastic – large increases in price elicit small changes in demand. Short-term elasticities are in the range of -0.3; long-term elasticities are in the range of -0.6 and less than one in the aggregate.[2] What this means is that a ten percent increase in the price of gas results in a 3 percent decline in demand. The low elasticity of demand is the critical factor in rendering the energy market volatile and vulnerable to manipulation.

The elasticity of demand is also important in another respect. It underlies the pattern of demand growth across time. Demand has been flat, at most growing slightly over the past decade (see Exhibit II-1). There has also been a slight dampening of the seasonal pattern as more gas is consumed during summer months to generate electricity.

EXHIBIT II-1: NATURAL GAS DEMAND: 1995-2005

Figure 12. Total U.S. Natural Gas Demand Growth



Short-Term Energy Outlook, January 2006

The misimpression of soaring demand may have been created by the building of natural gas fired electricity generating plants. While use in this sector did increase, the use of gas did not for at least three reasons. First, some of the more efficient new gas-fired plants displaced older, inefficient gas-fired plants. Second, some of the new plants did not fire-up much because of their high operating costs. That is why they are being sold as distressed assets. Third, there has been a great deal of demand destruction in the industrial sector.

The shift form industrial load to natural gas-fired plants shifts load to the summer, which may make it harder to find gas to put into storage. Summer was a slack period. In this sense, it is filling the valleys. The shift in demand may also shift the need for physical facilities to transport gas new locations. The image of "soaring" demand for gas to be consumed at the burner tip as the cause of the sharp price-run up price is simply wrong. Soaring demand in terms of hedge funds and speculators expanding their trading of gas contract as a cause of the price increase is being fiercely debated.

The most recent short-term energy outlook from the Energy Information Administration makes this point quite clearly. The past three years, which have seen the most dramatic increase in prices, have had a net decline in consumption. The claim of surging demand cannot be squared with reality. The response to the price increases of recent years has been inelastic – a very small reduction in the face of a very large price increase.

2. Distribution Infrastructure

Supply is equally inelastic, with long lead times needed to find and develop resources and the capital-intensive infrastructure (pipelines and storage facilities) to deliver it. Transportation and storage are expensive and difficult. Because natural gas is consumed in large quantities, huge sums of money can change hands very quickly as the price rises.

Many sources of energy are located far from consumers, requiring transportation over long distances. Energy supplies are expensive to transport and to store. Because of the nature of the underlying molecules, the production, transportation and distribution networks are extremely demanding, real-time systems. These systems require perfect integrity and real-time balancing. Transportation, storage and distribution infrastructure is extremely capital intensive and inflexible, relying on networks that are sunk in place with limited ability to expand in the short and medium term because of long lead times to build.

These physical and economic characteristics render the supply-side of the market inelastic.[3] Unlike financial instruments, which are simply pieces of paper that can be stored or moved with extreme ease, energy commodities are difficult and costly to move and store. Physical transactions involve a great deal of friction. This is the critical factor in the financial market.

> Economic frictions (including transportation, storage, and search costs) which impede the transfer of the underlying commodity among different parties

separated in space or time can create the conditions that the large trader can exploit in order to cause a supracompetitive price.[4]

Given the basic infrastructure of supply in the industry, the availability of excess capacity and stocks to meet changes in demand is the critical factor in determining the flexibility of supply. "All else equal, the lower the storage costs for a commodity, the more elastic its demand."[5]

One recent study found the volatility of natural gas prices to be greater than oil prices because of the nature of the infrastructure required to deliver natural gas to consumers:

> The dependence of natural gas on more inflexible sources of supply and the greater role of transportation opens the window to profiteering. It appears that volatility in natural gas returns is more persistent than volatility in oil returns. By itself, this result suggests that there may be a "larger window of profit opportunity" for investors in natural gas than in oil....
>
> [N]atural gas return volatility responds more to unanticipated events (e.g. supply interruptions, changes in reserves and stocks, etc.), regardless of which market they originate in.[6]

The bottom line is that the existence of friction and volatility opens the door to profit opportunities. "If prices and thus returns rise in response to volatility, there may be immediate profit opportunities in natural gas following shocks in either market."[7] These opportunities attract traders to enter the market and give those in the market an incentive to exploit the frictions and shocks.

Because natural gas is a physical commodity that is actually consumed (unlike a pure financial instrument), is difficult to store and expensive to transport, natural gas markets are complex. A recent book entitled *Energy Risk* identifies the uniqueness of energy markets, comparing energy commodities to more pedestrian financial instruments like stocks and bonds. The key elements identified are the supply-side difficulties of production, transportation and storage, and the demand-side challenges of providing for a continuous flow of energy to meet inflexible demand, which is subject to seasonal consumption patterns.

> [T]he deliverables in money markets consist of a "piece of paper" or its electronic equivalent, which are easily stored and transferred and are insensitive to weather conditions. Energy markets paint a more complicated picture. Energies respond to the dynamic interplay between producing and using; transferring and storing; buying and selling – and ultimately "burning" actual physical products. Issues of storage, transport, weather and technological advances play a major role here. In energy markets, the supply side concerns not only the storage and transfer of the actual commodity, but also how to get the actual commodity out of the ground. The end user truly consumes the asset. Residential users need energy for heating in the winter and

> cooling in the summer, and industrial users' own products continually depend on energy to keep the plants running and to avoid the high cost of stopping and restarting them. Each of these energy participants – be they producers or end users – deals with a different set of fundamental drivers, which in turn affect the behavior of energy markets...
>
> What makes energies so different is the excessive number of fundamental price drivers, which cause extremely complex price behavior.[8]

A recent article in an investor newsletter under the headline "Investors Beware" offered a strong warning about the uniqueness of energy commodities. "There are four fundamental characteristics of energy markets that investors must understand before investing in energy: 1. Valuation is more challenging, 2. Data is less transparent, 3. Energy is more volatile, 4. Trades are more operationally complex."[9]

Complexity of physical characteristics translates into a highly vulnerable product in this commodity market.

> Although the formal analysis examines transportation costs as the source of friction, the consumption distortion results suggest that any friction that makes it costly to return a commodity to its original owners (such as storage costs or search costs) may facilitate manipulation.
>
> The extent of market power depends on supply and demand conditions, seasonal factors, and transport costs. These transport cost related frictions are likely to be important in many markets, including grains, non-precious metals, and petroleum products.
>
> Transportation costs are an example of an economic friction that isolates geographically dispersed consumers. The results therefore suggest that any form of transactions cost that impedes the transfer of a commodity among consumers can make manipulation possible. [10]

B. Supply

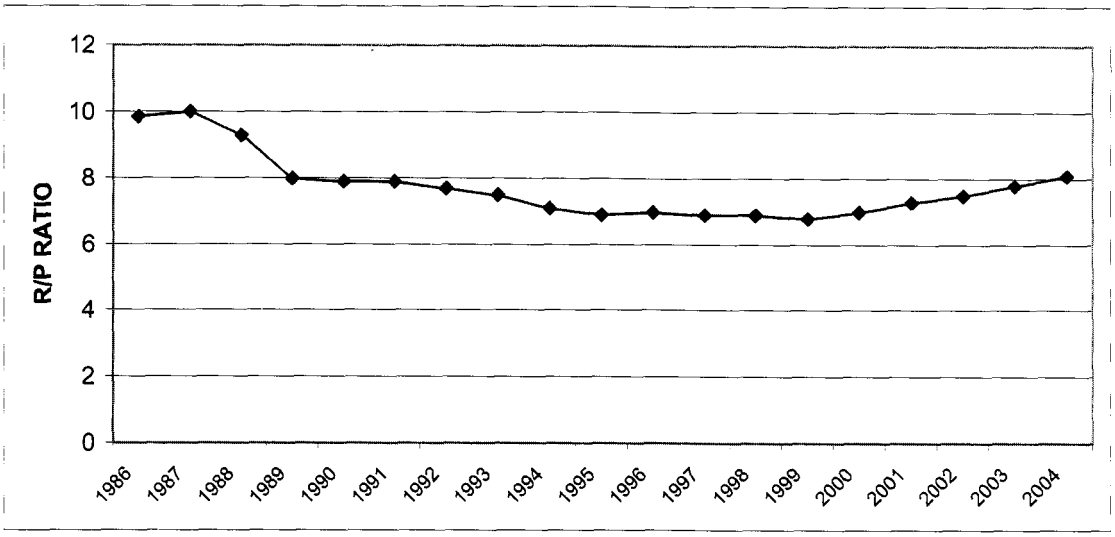
1. Reserves and Resources

Tightness of supplies in the physical market plays a role, but why supplies are so tight, how long that will last and how high prices should be as a result are hotly debated. At present, consumers are paying excessive prices far above the cost of production."[11]

The trend of demand is hardly a shock and most markets are equipped to handle it well. Thus, the physical market problem, if there is one, is on the supply-side. Although the resource base in the U.S. is "mature," it has certainly not collapsed or dried up. The market became tight primarily because the supply side resource did not keep up with production.

As Exhibit II-2 shows, throughout much of the 1980s and early 1990s, reserve additions failed to keep pace with production. In the mid-1990s, additions to reserves equaled production. In the past five years reserve additions have exceeded production, although that has come about from extensions of existing fields rather than finding new ones. Can these modest changes in physical fundamentals account for a quadrupling of price in such a short period of time?

EXHIBIT II-2: NATURAL GAS RESERVE TO PRODUCTION RATIO

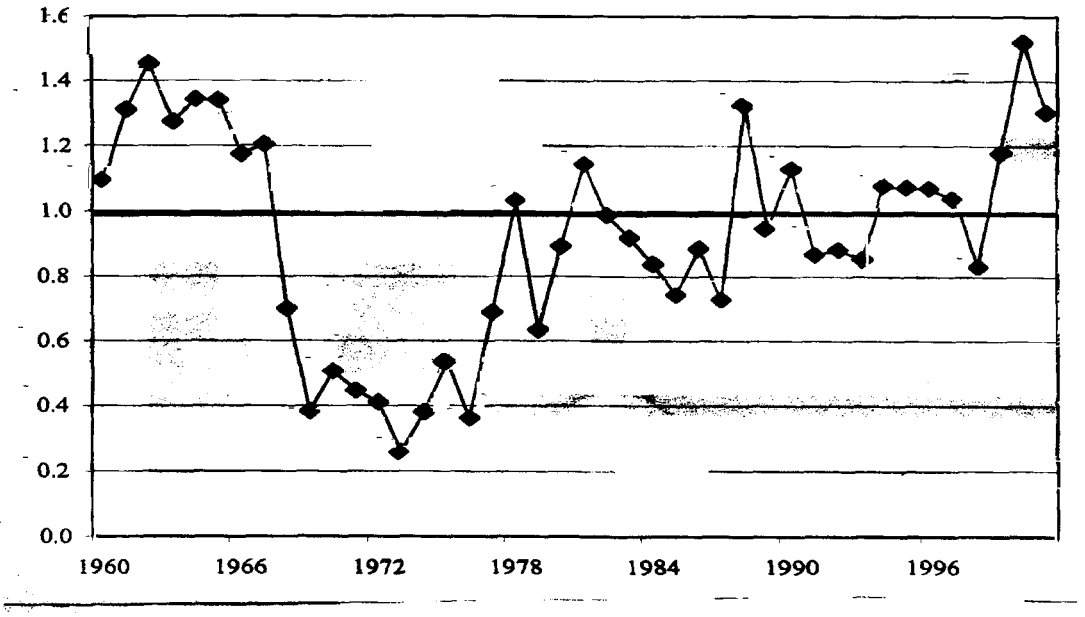


Source: Energy Information Administration, database.

Long-term trends do not suggest a major change. For example, the Stanford Energy Modeling Forum points out that the long-term trend of reserve replacement is not consistent with the extremely pessimistic view taken by the industry (see Exhibit II-3). Similarly, the most recent report of the Potential Gas Committee, which has been analyzing the natural gas resource base for a quarter of a century, does not suggest such a gloomy picture. The biennial report of the Potential Gas Committee of September 2005,

> shows total probable, possible and speculative traditional gas resources of 950.0 Tcf and another 169.3 Tcf of potential coalbed gas resources in the U.S. (including Alaska).... That is the equivalent of 68 years of production at current rates, and represents nearly the same total reserve base estimated in 2002....
>
> "The 2004 assessment reaffirms the Committees evaluation of an abundant U.S. natural gas resource potential," said John Curtis, Director of the Potential Gas Agency at the Colorado School of Mines, which provides guidance and technical assistance to the PGC...

EXHIBIT II-3: NATURAL GAS REPLACEMENT RATE (=Additions/Production)



Source: Energy Modeling Forum, *Natural Gas, Fuel Diversity and North American Energy Markets*, September 2003, Figure 2.

> The size of the resource base today remains roughly the same as estimated in the committee's year-end 2002 numbers, but 38 Tcf of natural gas was drawn down since that time. Factoring in the past two years' production, PGC has increased its estimate of the U.S. gas resource base with each successive report over the last 12 years or more.[12]

2. The Industry Flip-Flop on Price

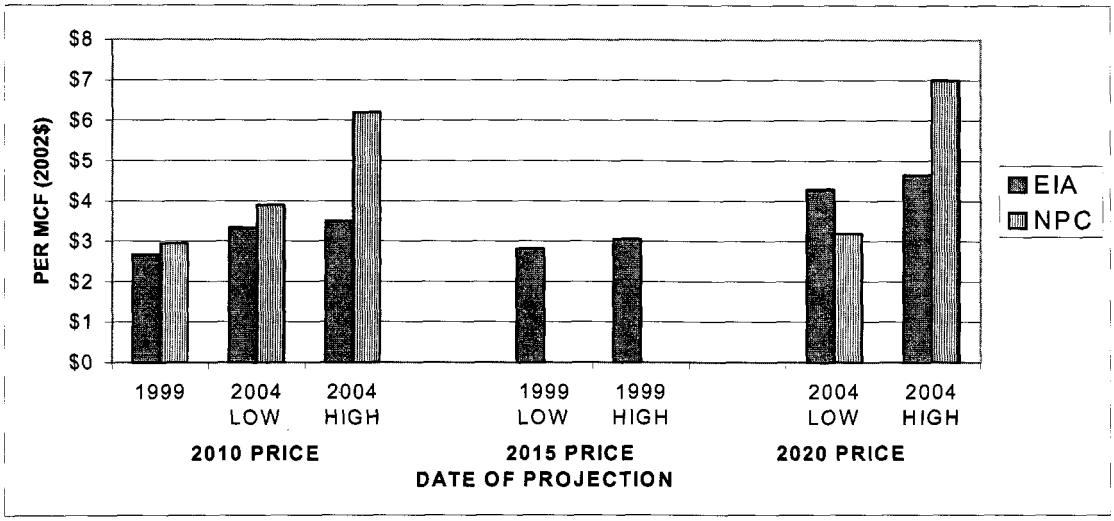
The National Petroleum Council (NPC) released a report in late 2003 that dramatically raised the estimated cost of finding and producing new natural gas supplies. This provided a perfect rationale for rising prices. The NPC is "a federally chartered and privately funded advisory committee," whose purpose "is solely to represent the views of the oil and natural gas industries in advising, informing, and making recommendations to the Secretary of Energy with respect to any matter relating to oil and natural gas, or to the oil and gas industries submitted to it or approved by the Secretary."[13] It is composed of integrated oil companies (18), large independent oil and gas producers (44), small independent oil and gas producers (83), natural gas companies (38), independent oil transporters, refiners and marketers (26), construction, drilling and oilfield support-service companies (41), financial and consultant support service companies (40), electric companies and other large consumers (8), and non-industry members (39).

In essence, the NPC asserts that the resource base threw the industry a curve. The NPC contends that the industry was surprised by the difficulty and cost of finding new gas. Caught off guard, there has been a surge in prices that will become permanent unless dramatic changes in policy are made. These changes would generally raise the profitability of the petroleum industry by lowering its costs of production. This was a dramatic shift from previous policy that criticized by others.

Exhibit II-4 shows that the 2003 NPC report represented a sharp shift in its estimate of the cost of finding natural gas by contrasting the 1999 estimates of future wellhead prices by the NPC and the Energy Information Administration to the later estimates by the same bodies. The 1999 projections came at a key moment. The increase in gas-fired electricity generation was becoming apparent and concerns were expressed about whether production could keep pace. The reports were also written just before prices began to rise sharply and become volatile.

Both the EIA and the NPC were quite optimistic in 1999. Projecting prices in the range of $2.80 to $3.80, the NPC concluded that "sufficient resources exist to meet growing demand well into the twenty-first century."[14] The EIA projected prices less than $3 in its *Annual Energy Outlook,* wherein the section headings shed extra light on the attitude – "Rising Gas Prices and Lower Drilling Costs Increase Well Completions, High Levels of Gas Reserve Additions Are Projected Through 2020, Significant New Finds Are Likely To Continue Increases in Gas Production."[15]

EXHIBIT II-4: THE DRAMATIC SHIFT IN PROJECTED WELLHEAD PRICES



Source: National Petroleum Council, *Natural Gas: Meeting the Challenges of the Nation's Growing Natural Gas Demand* (December 1999), p. 20, *Balancing Natural Gas Policy* (September 2003), p. 14; Energy Information Administration, *Annual Energy Outlook 2000* (December 1999), Table C-14, *Annual Energy Outlook* (January 2004), Table C-14.

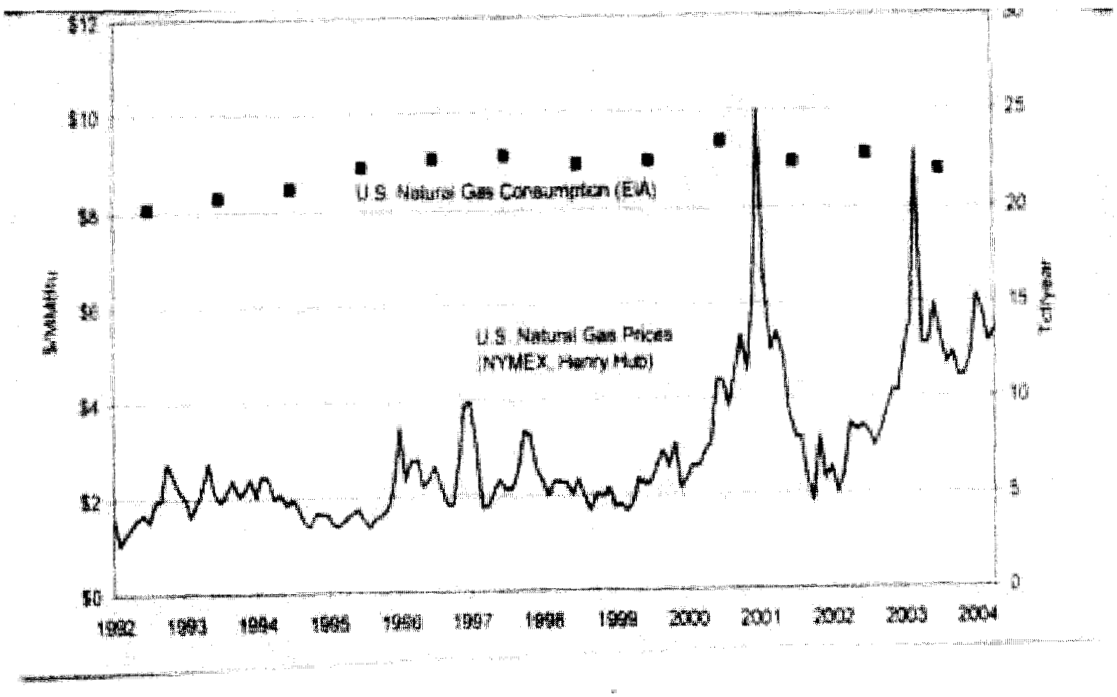
The tone in the 2003/2004 reports was considerably different. The EIA added a dollar to its projected prices and the NPC added over two dollars. The NPC declared that "North America is moving to a period in its history in which it will no longer be self-reliant in meeting its growing natural gas needs,"[16] while the EIA report opened with a cautious note:

> For almost 4 years, natural gas prices have remained at levels substantially higher than those of the 1990s. This has led to a reevaluation of expectations about future trends in natural gas markets, the economics of exploration and production, and the size of the natural gas resources. The *Annual Energy Outlook 2004* forecast reflects such revised expectations, projecting greater dependence on more costly alternative supplies of natural gas.[17]

3. Other Views of the Supply-Demand Balance

The NPC claims that "Current higher gas prices are the result of a fundamental shift in the supply and demand balance.... [that] will result in undesirable impacts to consumers and the economy, if not addressed."[18] Others correct the record, pointing out, as Exhibit II-5 shows, that,

EXHIBIT II-5: U.S. NATURAL GAS DEMAND AND PRICES

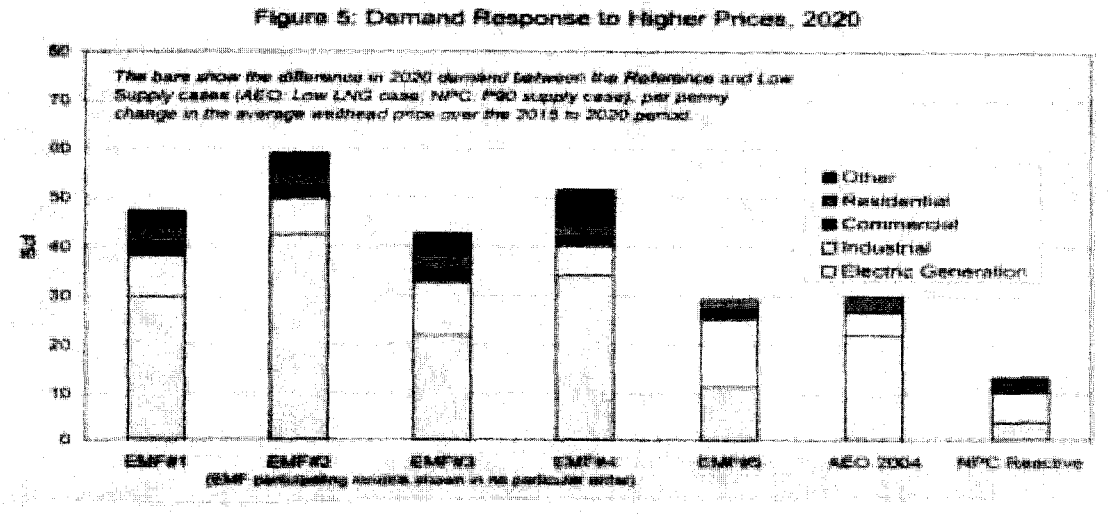


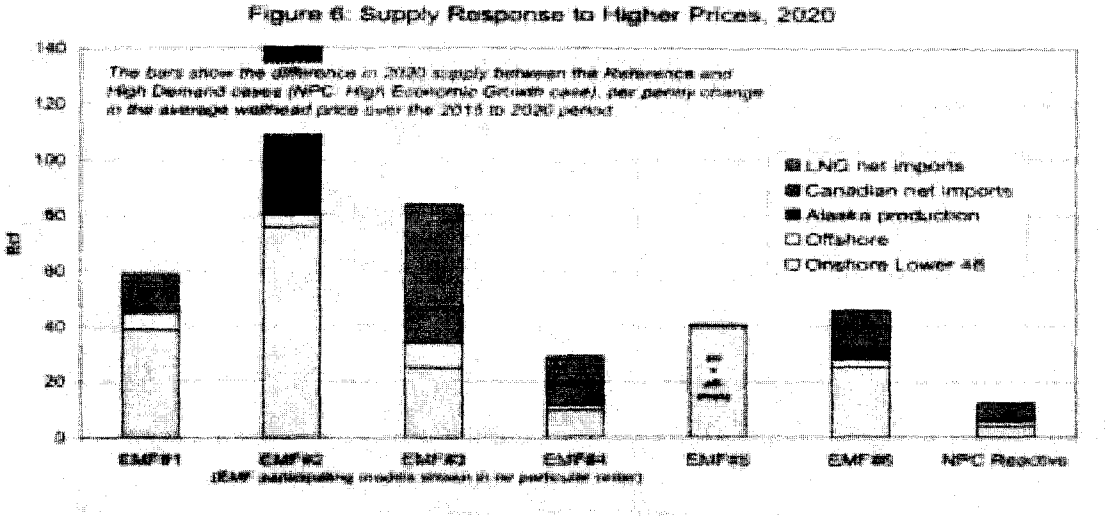
Source: Ken Costello, Hilliard G. Huntington and James F. Wilson, *After the Natural Gas Bubble: A critique of the Modeling and Policy Evaluation Contained in the National Petroleum council's 2003 Natural Gas Study,* July 8, 2004, Figure 1.

to be clear, however, the fundamental shift in the NPC outlooks has been in supply, not in demand.... In the 2003 NPC Report, the resource base assessment for the Lower-48 and Canada has been reduced by 20%... The NPC forecast of U.S. gas consumption... has been reduced by over 15% compared to the 1999 report, while prices are expected to be 40% to 70% higher than anticipated in the 1999 report."[19]

The NPC's shift from optimism to pessimism about the supply-demand balance rests on assumptions about the behavior of the natural gas market that are not consistent with historical experience. These assumptions are not shared by others (see Exhibit II-6). As we

EXHIBIT II-6: THE NATIONAL PETROLEUM COUNCIL NATURAL GAS STUDY DRAMATICALLY UNDERESTIMATES MARKET RESPONSES TO PRICE INCREASES





Source: Ken Costello, Hilliard G. Huntington and James F. Wilson, *After the Natural Gas Bubble: A critique of the Modeling and Policy Evaluation Contained in the National Petroleum council's 2003 Natural Gas Study,* July 8, 2004, Figures 5 and 6.

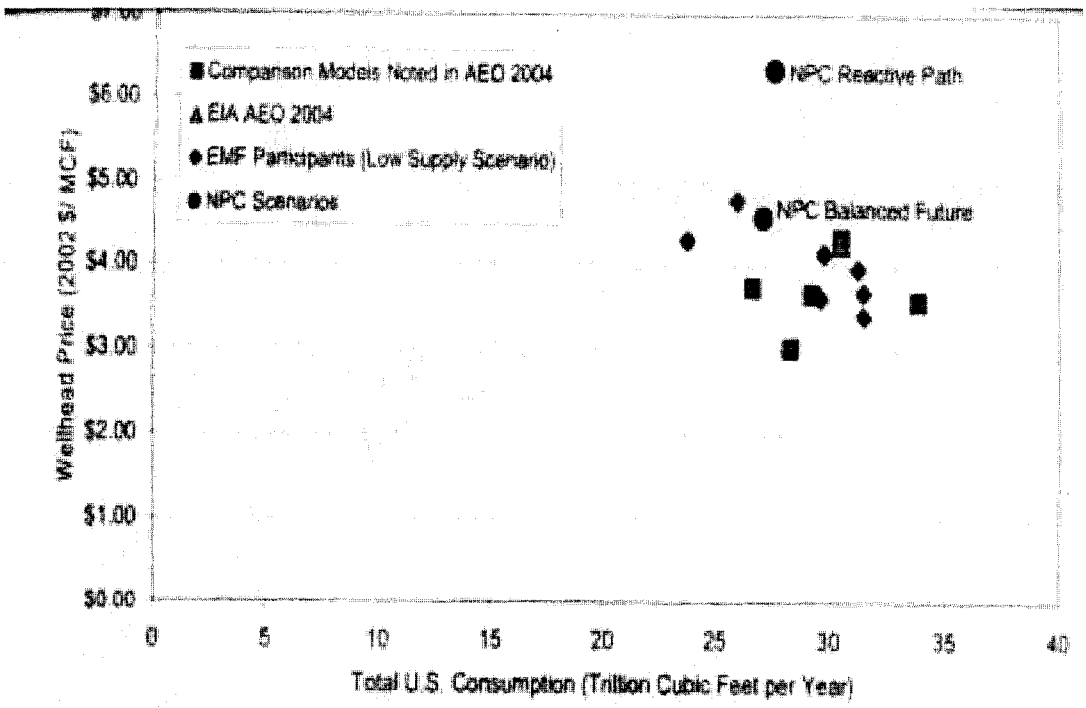
have seen, the data from the most recent years reinforces this observation. The NPC's pessimism is driven by extremely pessimistic assumptions about the supply and demand responses to price changes.

4. The Cost of Production

The fact that the NPC's price projections are fifty percent higher in their base case than most others should not obscure a more important observation. There was a consensus that prices over the next twenty years would be in the range of $4.50 (in 2002 dollars) per mcf. With today's wellhead prices running in the range of $7.50 to $10 per mcf, $4.50 may not sound like a big number, but it still represents more than a doubling of the price compared to the previous twenty years. Recently, the EIA has raised its estimate of the cost of natural gas production to $5.50.

Other analyses offer a different view. Some analysts project the underlying costs at much lower levels than the industry. Exhibit II-7 shows the sharp difference between the

EXHIBIT II-7: COMPARISON OF NATURAL GAS OUTLOOKS, 2020

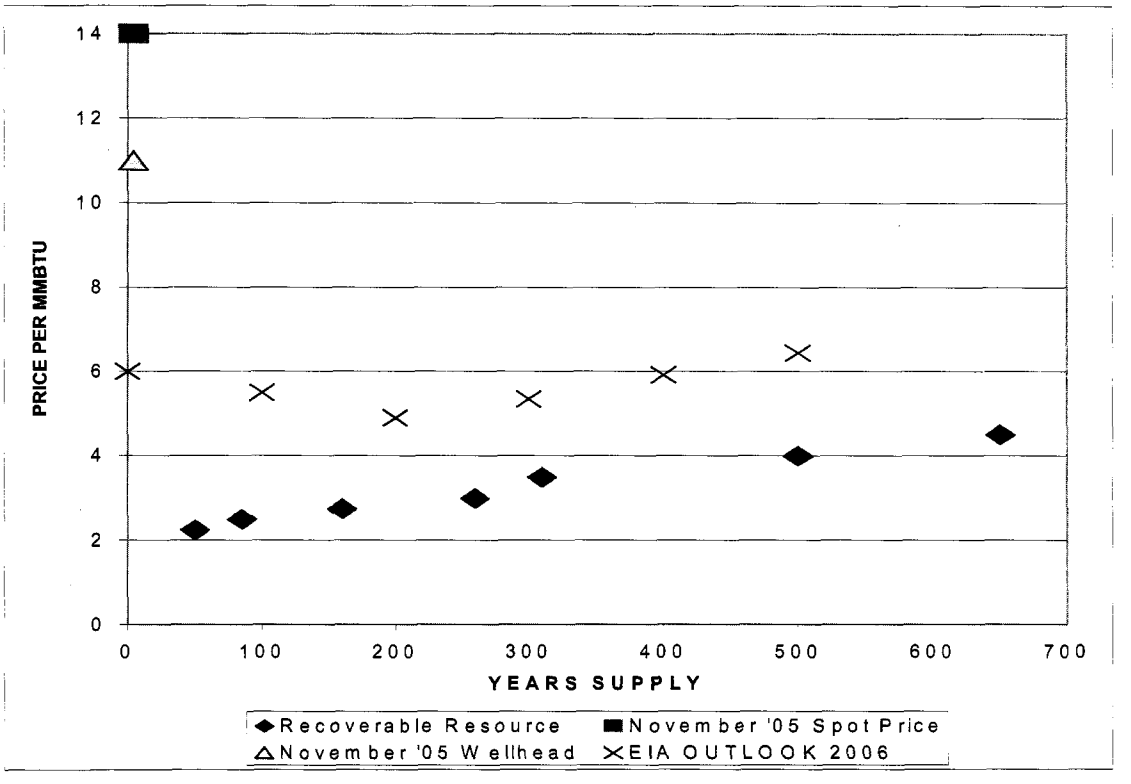


Source: Ken Costello, Hilliard G. Huntington and James F. Wilson, After the Natural Gas Bubble: A Critique of the Modeling and Policy Evaluation Contain in the National Petroleum Council's 2003 Natural Gas Study, July 8, 2004. Figure 3.

National Petroleum Council price projection and a number of other studies, including those by the Energy Information Administration.

Exhibit II-8 shows mid-point estimates for the full-cycle cost of gas recovery plotted as the number of years of resource recoverable at an annual consumption of 25 trillion cubic feet. Note that Exhibit II-8 is quite consistent with Exhibit II-7 in that it shows a resource cost in 2020 at production levels of 25 to 30 trillion cubic feet (TCF) of about $4.00 per mmBtu. Exhibit II-8 also presents the most recent EIA estimate of the cost of production across time, assuming that approximately 100 Tcf is produced in each five-year period. Thus, 2010 is plotted at the 100 Tcf point; 2015 is plotted at the 200 tcf point, etc.

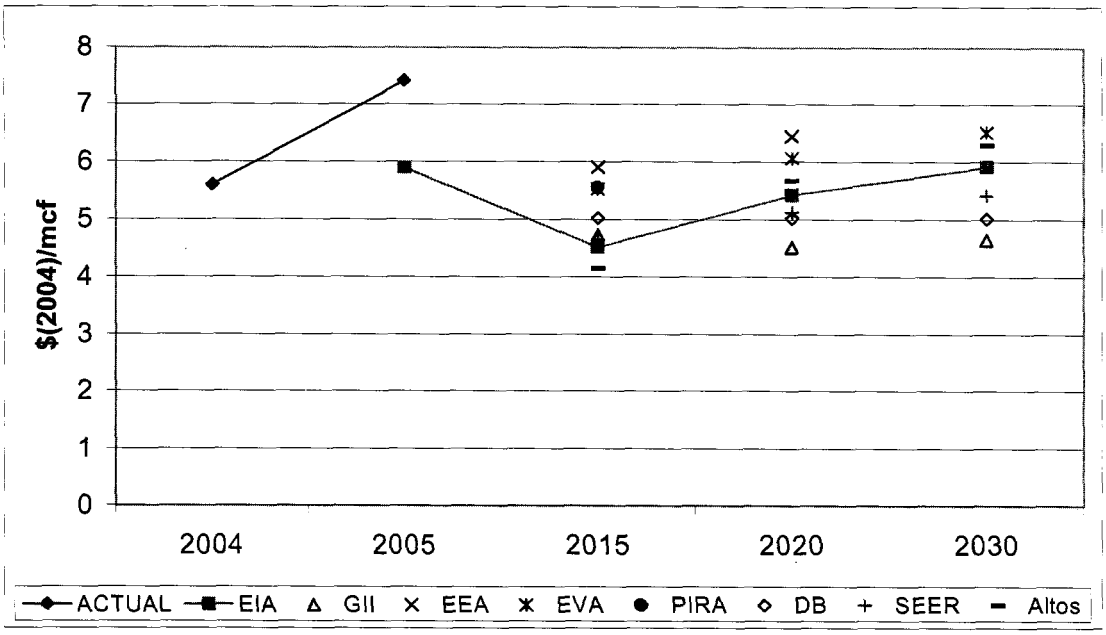
EXHIBIT II-8: DISLOCATION IN NATURAL GAS MARKETS



Sources: Energy Information Administration, *Annual Energy Outlook: 2006*, February 2006, James R. Choukas-Bradley and Michael F. Donnelly, *A Report on Projected Natural Gas Prices and Dynamics of the Natural Gas Markets for 2005 and Beyond*, February 11, 2005, NyMex.

Current prices are far in excess of the estimated resource costs of production. Exhibit II-9 compares the EIA estimates of costs to estimates prepared by other petroleum industry analysts. The numbers are presented in constant 2004 dollars. The gap in 2005 of $2.50 per mcf is equal to about $50 billion for the year. Prices for this year (known as six and twelve month strips) are above last year. Prices for the next couple of years are higher still. In other

EXHIBIT II-9: PROJECTED NATURAL GAS PRODUCTION COSTS



Source: Energy Information Administration, *Annual Energy Outlook 2006: With Projections to 2030,* February 2006, Table 23, EIA *Natural Gas Database* for actual 2005 prices. GII = Globabl Insight Inc.; EEA = Energy and Environmental Analysis, Inc.; EVA = Energy Ventures Analysis Inc.; PIRA = PIRA Energy Group; DB = Deutsche Bank, AG; SEER = Strategic Energy and Economic Research; Altos = Altos Partner North American Regional Gas Model.

words, there are hundreds of billions of dollars at stake in the current dislocation in the natural gas market.

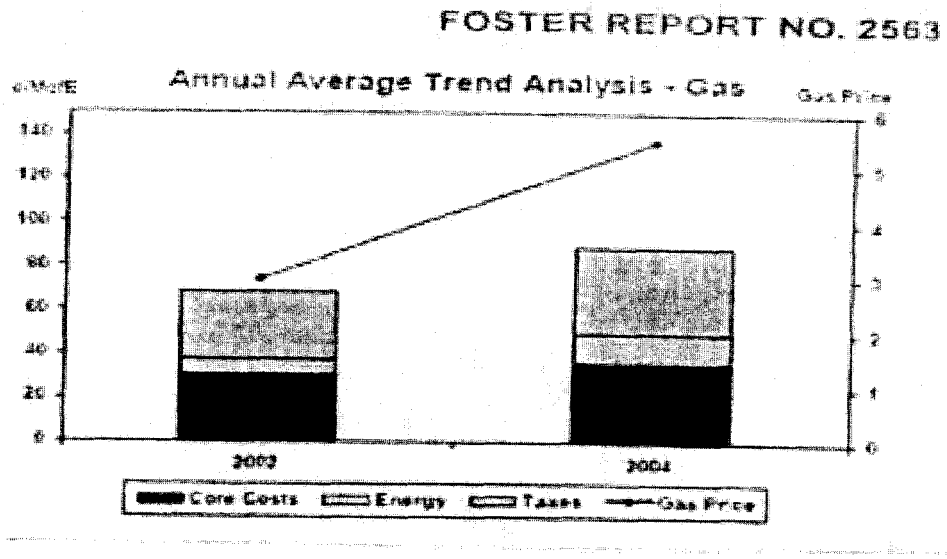
Other estimates of short run changes in the resource base and the cost of production also give a different perspective on the resource base and the cost of production. As noted earlier, the Potential Gas Committee estimates almost a three percent increase in proved reserves over the past two years and virtually no change in total supply, notwithstanding the fact that approximately 38 bcf had been produced in that period.[20]

Ziff Energy Group, which studies the economics of field operations, also observes increases in natural gas production from mature basins.

> The Permian Basin is considered to be the largest onshore U.S. oil-producing region, despite a steady decline in annual production since its peak in 1973. During the past 5 years, there has been a trend to increasing gas production, both from shallow horizons (e.g. Sonora area) and deeper reservoirs (e.g. Ellenberger).[21]

Ziff Energy's Study of increasing costs in these areas also shows that price increases at the wellhead have greatly exceeded cost increases (see Exhibit II-10).

EXHIBIT II-10: OPERATING COSTS AND PRICES



Source Foster Report, No. 2563, October 20, 2005.

> According to a new report issue by Ziff Energy Group, producer operating costs in the Permian basin have increased significantly... The 2004 average operating cost for gas fields increased 31% to nearly 90 cents/MCF. By contrast, leasing gas field operators achieved average costs of less than 60cents/ Mcf.[22]
>
> Ziff Energy Group's 12th annual study of oil and gas fields in Western Canada quantified a significant increase in operating costs. The largest increase in 2004 was for exploration and operation of natural gas prospects – the weighted average increased 12%, to over $0.80/Mcf [$0.82/Mcf]. Main drivers of the cost increase were the many services expenses due to high levels of field activity and higher energy costs.[23]

In contrast to the increase of operating costs of about 30 cents/mcf, the price increase enjoyed by producers was approximately $2.50.

The gap between near-term prices in the range of $7.00 to $10.00 per mmBtu and the underlying costs of production is striking. Those who predict a lower full cycle cost for gas naturally tend to predict that prices will fall sharply, under the assumption that the real economics must overcome a temporary decoupling of prices from costs. That begs the question, however, of how the disjuncture came about in the first place. Without a good explanation of how the disconnect came to be, the mechanisms by which the gap can be closed are uncertain and the promise that it will be closed is subject to question. This gap also raises doubts about the claim that access to low cost supplies in environmentally sensitive areas will lower prices. With prices so far above costs, it is easy to doubt that lowering the cost of production will make much difference, other than to increase the profits of the gas producers.

C. Supply as a Strategic Variable

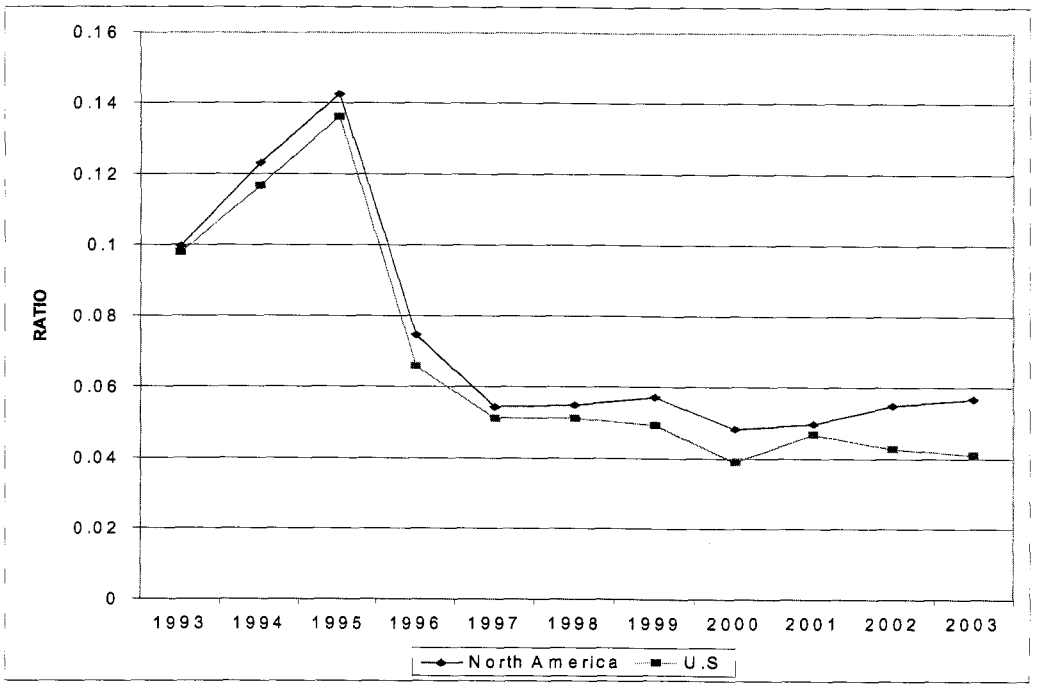
One explanation for the gap between costs and prices is that changes in industry structure, incentives, and behavior led to a slowdown in efforts to bring gas to market and a run-up in price. If this is correct and the incentives and structures do not change, then market performance will continue to disappoint.

The physical resource base in the U.S. is mature and experiencing increasing costs of discovery and development, but the physical changes are not large enough to account for the rising price. Demand is growing and has shifted slightly, which puts additional pressure on the resource base, but not enough to account for the tightness of supply or the increase in prices. One recent analysis attributed declining capacity to the interaction of the mature resource base and sluggish investment.

> "Effective production capacity is defined as the maximum production available from natural gas wells considering limitations of the production, gathering, and transportation systems," the report says. Although production increased to 52 Bcf/d in 2001, from 45 Bcf/d in 1985, effective production capacity has declined to 56 Bcf/d from 61 Bcf/d for that same period. ESAI [Energy Security Analysis Inc.] attributes the decline in capacity to a period of fewer increment well completions during the 1990s combined with the "treadmill effect" of maturing basins.[24]

Structural and behavioral changes on the supply-side of the market have contributed to the tightness of supply. When "The Majors' Shift to Natural Gas," as an EIA document put it, behavior in the industry changes. With the entry of major producers into the market, investment patterns changed and investment decisions now determined the state of the resource base (see Exhibit II-11). Investment decisions largely determined the state of the resource base. With majors shifting their focus in the late 1990s, production exceeded reserve additions, creating the condition for a tightening of the market. Investment shifted from exploration to development and extension. When prices began to rise, the response was slow. As Standard and Poor's noted in 2004:

EXHIBIT II-11: RATIO OF EXPLORATION TO DEVELOPMENT WELLS



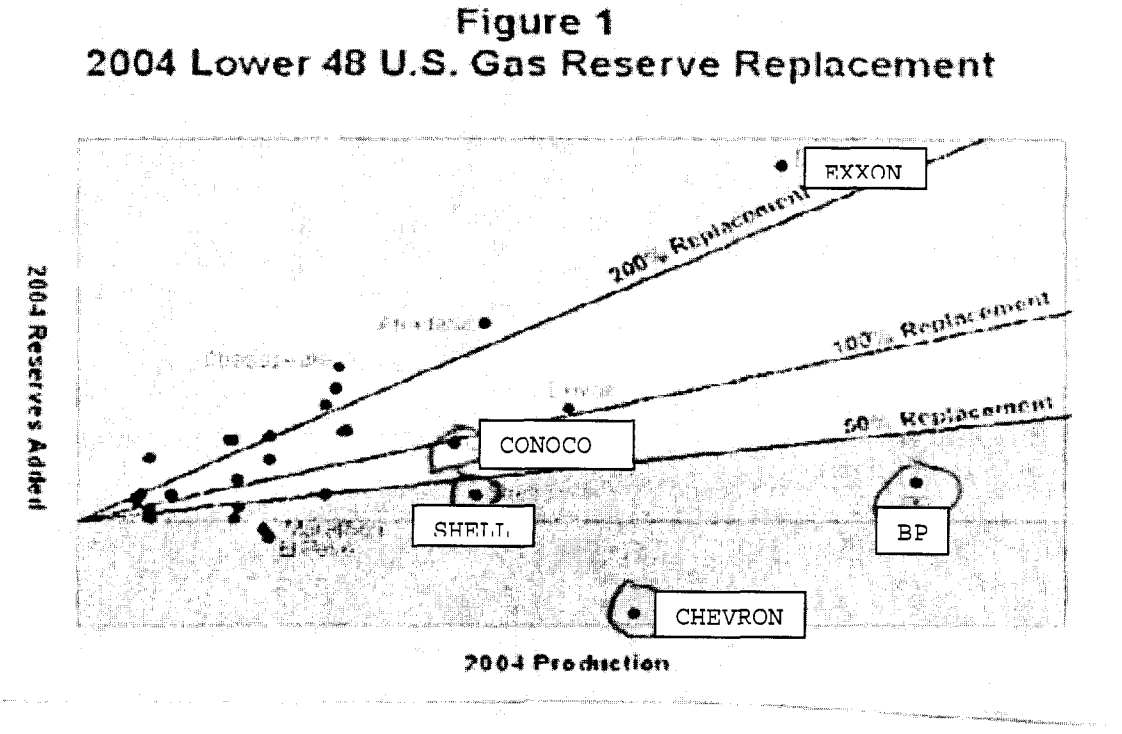
Source: Energy Information Administration, *Performance Profiles of Major Energy Producers*, various years

> It is unclear that producers are investing enough to grow production materially – and this follows a year [2003] in which the domestic gas production (including acquisitions) of integrated producers appears to have declined...
>
> [M]ajor integrated companies, which appear to be reinvesting only 30 to 40 percent of their domestic cash flow in the United States, have made strategic decisions to allow their shallow-water and onshore natural gas production to deplete to redeploy capital to international (mainly oil) projects.[25]

A recent *Wall Street Journal* story provides good context. Under close scrutiny, following gasoline price increases, reports of record third quarter profits, and consumer outcry facing dramatic increases in winter heating bills, the WSJ reported that "Big Oil Firms Join Hunt for Natural Gas in the U.S."[26] But why has it taken a decade and a tripling of price to get them into the hunt? Complaints about underinvestment in domestic U.S. natural gas resources have been mounting for years.

Exhibit II-12 shows that as recently as 2004, the majors were lagging in the effort to replace their reserves. The circled entities are the four remaining majors — BP-Arco-Amoco, Exxon-Mobil, Chevron-Getty-Texaco, ConocoPhilips. Listing the names reminds us of how

EXHIBIT II-12: THE MAJORS LAG IN RESERVE REPLACEMENT



Source: Foster Reports, 2544, June 9, 2005, p. 22

many firms disappeared in the merger wave of 1996-1002. Indeed, there is growing belief that "[p]roducing areas are active merger and acquisition targets"[27] because of the huge run-up in prices. The next wave of mergers may affect large and small firms alike.

> U.S. exploration-and-production companies flush with cash thanks to lofty commodity prices will likely step up their participation in mergers and acquisitions during the coming year, analyst Irene Haas said in a report Friday.
>
> "We believe M&A activity will intensify in 2006," said Haas, of Houston-based Sanders Morris Harris. "Most of the large integrated and larger majors are building up cash. After having gone through the exercise of debt reduction, share buybacks, and dividend increases, the companies are still looking at sizeable cash flow...

"We believe that this cash build-up, and the lack of attractive new places to invest, will fuel more merger and acquisition activities."[28]

Looking at capital spending patterns for both exploration and acquisitions, the authors noted that "M&A spending did draw a greater share of the funds, nearly all at the expense of development outlays."[29] Having allowed the price to rise to extreme levels, it became highly profitable for large oil firms to suddenly rediscover the U.S. resource base.

In the past few months, BP and Exxon have committed to long-term developments of U.S. fields they have held for years but haven't given much attention to....

While tapping these new gas reserves probably will require costly technology, the high price of natural gas in the U.S. makes the investment attractive. In New York, natural gas has been trading well above $10 per million British thermal units since late August, more than quadruple its price at the beginning of the decade. Prices are expected to stay high for years.

"The pricing outlook for North American natural gas is so favorable that these projects are very attractive." [30]

Drilling activity does respond to price increases, but it has been muted (see Exhibit II-13). Since 1999, which saw the lowest natural gas price in the past decade, there has been a doubling of the rig count, compared to a six-fold increase in the price of oil and a similar increase in the price of natural gas. Nevertheless, the rig count was higher in 1996-1999, when the oil price was less than half of what it is today. The implicit elasticity of supply of rigs with respect to price is considerably less than one. Rigs drilling for natural gas show both a faster rate of growth, but also a larger price increase.[31]

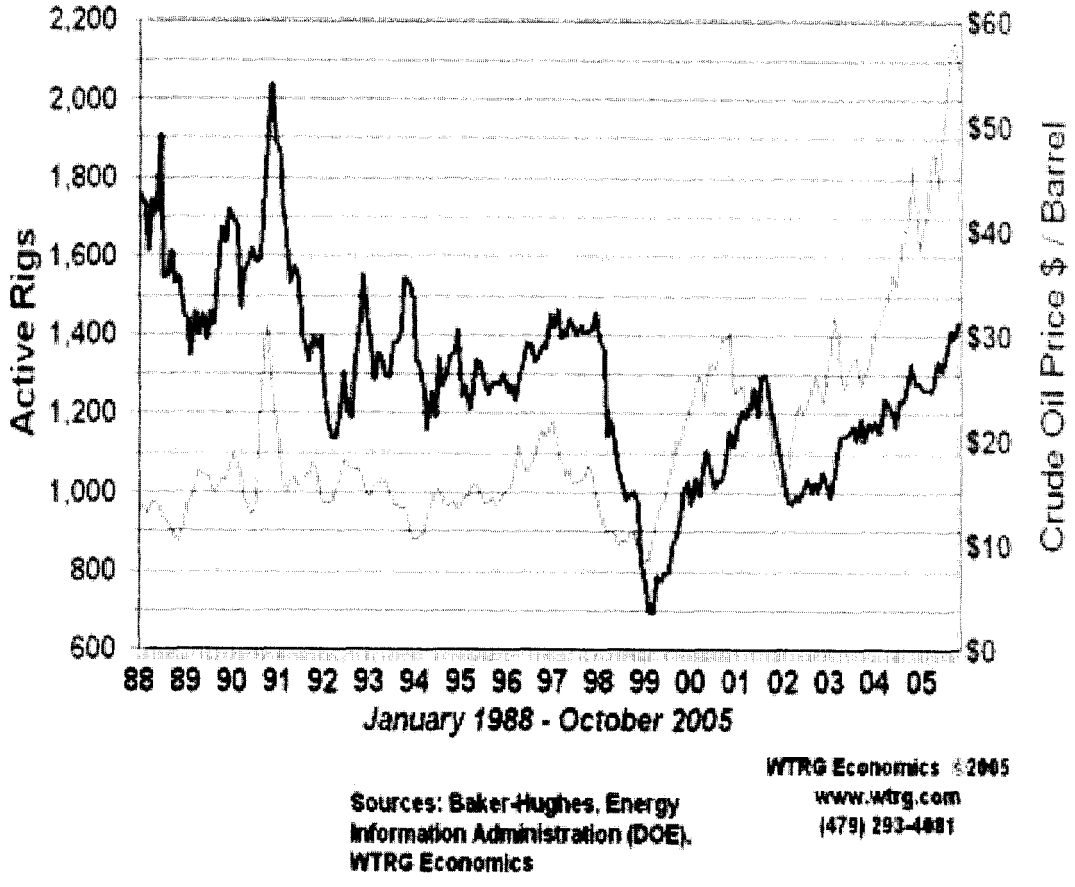
The long period of low levels of drilling, followed by the rapid expansion, contributes to the inefficient and sluggish response. Capacity is destroyed during the down cycle and then the rush to increase capacity increases the cost.

"When price returns get high enough people expand capacity. The returns are the highest we've seen for land rigs in a few decades..." Manufacturers building new rigs can expect a return of 25% to 30%.[32]

Drilling rig day rates have doubled since 2000 and new rigs are available only if a producer is willing to guarantee long-term leasing at these higher rates.[33]

The massive run up in prices of recent years has resulted in a huge throw off of cash, which is not being put back into the industry. As an analysis in the *New York Times* under the headline "High Profits, Sluggish Investments,"[34] pointed out after the announcement of yet more record profits, "The real issue, though, is not how much the oil companies are making, but what they are doing with the money. In too many cases, they seem to have only a limited

EXHIBIT II-13: U.S. WORKING RIG COUNT

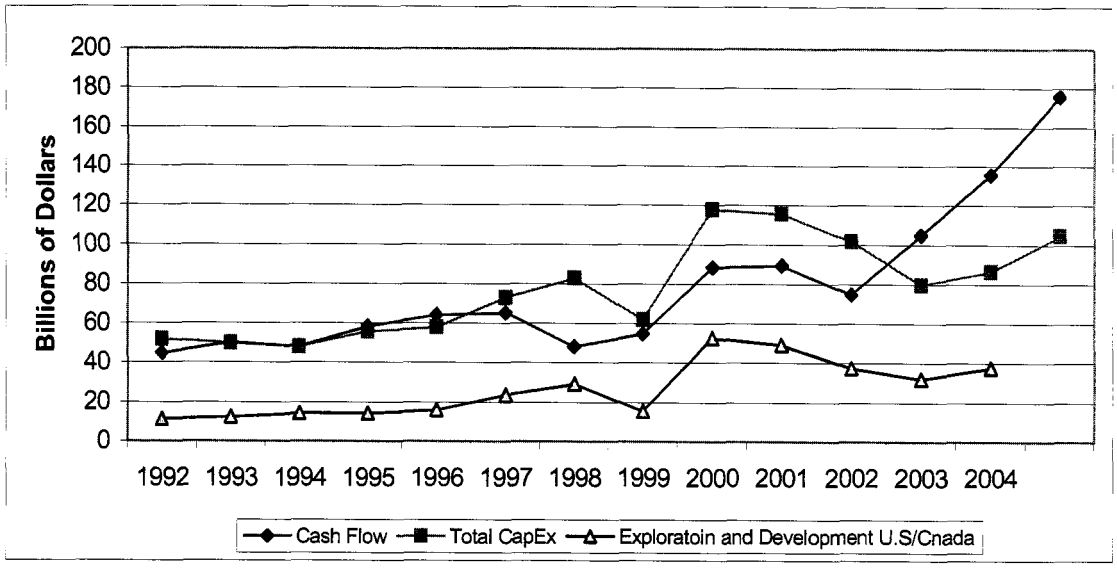


interest in investing it in projects that might help prevent or ameliorate a new energy crisis."[35] The article points out that Exxon essentially decides what to invest based on its projections of prices and "Exxon's price forecasts have not risen much in recent years, even though market prices have soared."[36] The dramatic shift in behavior among the majors is also unprecedented. "I checked back to 1976, and found that until 1997, Exxon always invested more than it made. Now it invests less than half of its profits."[37]

Exxon's ability to choose its target price, and not fear that it will lose out to others, who act more aggressively, is one indication of its market power. The fact that Exxon invested more than it earned until the onset of industry consolidation in the mid-1990s underscores the fact that companies generally use two major sources of cash to invest in an industry. Depreciation – the return of capital – is a major source.

The picture is even more distressing when one looks at cash flow – which is made up almost entirely of the return of and on capital. When an investment is depreciated, the capital is returned to the investor. This return of capital is a major source of cash flow. Return on capital is the income that companies earn. As Exhibit II-14 shows, the majors simply cannot

EXHIBIT II-14: CASH FLOW AND CAPITAL EXPENDITURES



Source: EIA, *Performance Profiles of Major Energy Producers*, various issues; 2005 estimated based on year-over-year changes for Exxon-Mobil, Shell, and Chevron reported in initial annual reports for 2005.

absorb the flood of cash. The increase in expenditures on exploration and development in the U.S. and Canada, which will do the most for natural gas markets in the U.S., is dwarfed by the increase in cash flow, as are total capital expenditures.

> Meanwhile, ESAI noted that more cash for exploration and development (E&D) activities has been invested abroad than domestically. This trend is more evident in oil spending, but natural gas spending may follow suit if global (LNG). This partially explains the declining reserve replacement ratio for natural gas, says ESAI.[38]
>
> We do not see the level of increased domestic production activity from the international majors and certain large North American independents that we would expect to see in a rational, competitive marketplace at current gas prices, which have been at a sustained average annual price of greater than $5.00 per MMBtu since mid-2002. Are these producers not investing in North American production at the levels that would be expected in a competitive marketplace, one that provides appropriate price signals related to supply/demand fundamentals? Rather than investing for incremental production that will produce supplies with the lowest possible incremental cost to meet domestic demands, are these producers investing in overseas projects, because their investment capital can yield a greater and faster return... [T]he multinationals

appear to be taking the "windfall" profits from high domestic gas prices to invest in overseas projects largely owned by foreign national oil companies that they believe offer better investment opportunities, perhaps with net cash-flow payout in two-three years... The flight overseas by dollars realized from domestic gas prices realized since 2000...effectively means that the American consuming public is financing international projects. Such activity, in turn, helps to support the continued high level of domestic gas prices by resulting in a reduced level of domestic production with an increased per-unit cost than would otherwise be indicated by the level of domestic prices.[39]

D. Short Run Factors

The impact of the hurricanes on Gulf Coast production has been the focal point of the price increase story in the short-term. Interestingly, projections of a severe hurricane season were reported to have driven the price up prior to the occurrence of the actual hurricanes. Year-over-year prices were up over one-third even before the hurricanes arrived.

At its height, the loss of production was about 10 percent of national capacity, although it has been noted that at the height of the production loss there was also a great deal of demand destruction on the Gulf Coast. Thus, the loss of gas available to the market was considerably smaller than the loss of output in the Gulf. Some estimates put this figure as high as a third of the total loss of production. These underlying fundamentals were evident throughout.

September 9, 2005 – Even though 8% to 16% of daily gas supplies have disappeared in Hurricane Katrina's wake, markets across the country have managed to stay whole largely because of a significant drop in demand, particularly in the Gulf Coast region, industry officials said Tuesday.

Merrill Lynch's top exploration-and-production analyst thinks much of the natural gas supply shortages caused by Hurricane Katrina will be offset by losses of industrial and commercial demand caused by the same storm.

"There is no doubt that the Street will fixate on just supplies, but one needs to consider the demand effects.'[40]

October 10, 2005 – While data in the two weeks after Katrina made landfall Aug. 29 "suggested that enough demand had disappeared due to the storm that we are roughly in supply/demand balance, the additional damage creates the fear that demand will recover more quickly than our supply will come back," Elder said.[41]

November 18, 2005 – "I think the surprising thing continues to be that the demand destruction going on has more than offset any missing Gulf gas," said Smith, President of Natchez, Miss.-based Stephen Smith Energy Associates.

And even though prices have come off their peaks in most regions, it may take weeks for that to translate into restored industrial consumption.[42]

November 30, 2005 – [E]ven with hurricane-related shut-ins exceeding 450Bcf [billion cubic feet] from offshore Gulf of Mexico facilities and probably another 100 Bcf from onshore Gulf coast facilities, storage levels as of mid-Novembers are almost 3.3 Tcf [Trillion cubic feet]. The notion that storage could be near 3.3 Tcf in mid-November despite 550 Bcf of shut-in production is mind-boggling. Since the weather during September through mid-November was fairly mild, a small amount of this unexpectedly high storage level could be attributed to reduced weather-sensitive loads. The vast majority, however, must relate either to physical limitations on loads because of hurricane damage (e.g., refineries under water) or price sensitive demand destruction in otherwise available facilities (e.g., shut-in ammonia)... These weather related reductions are now greater than the continuing estimated shut in production.[43]

January 23, 2005 – Many experts had estimated that as much as 3 bcf/day of Outer Continental Shelf production would be off-line. According to the Minerals and Management Service, that figure is closer to 1.8 bcf/day as volumes have been restored more quickly than many observers had thought.[44]

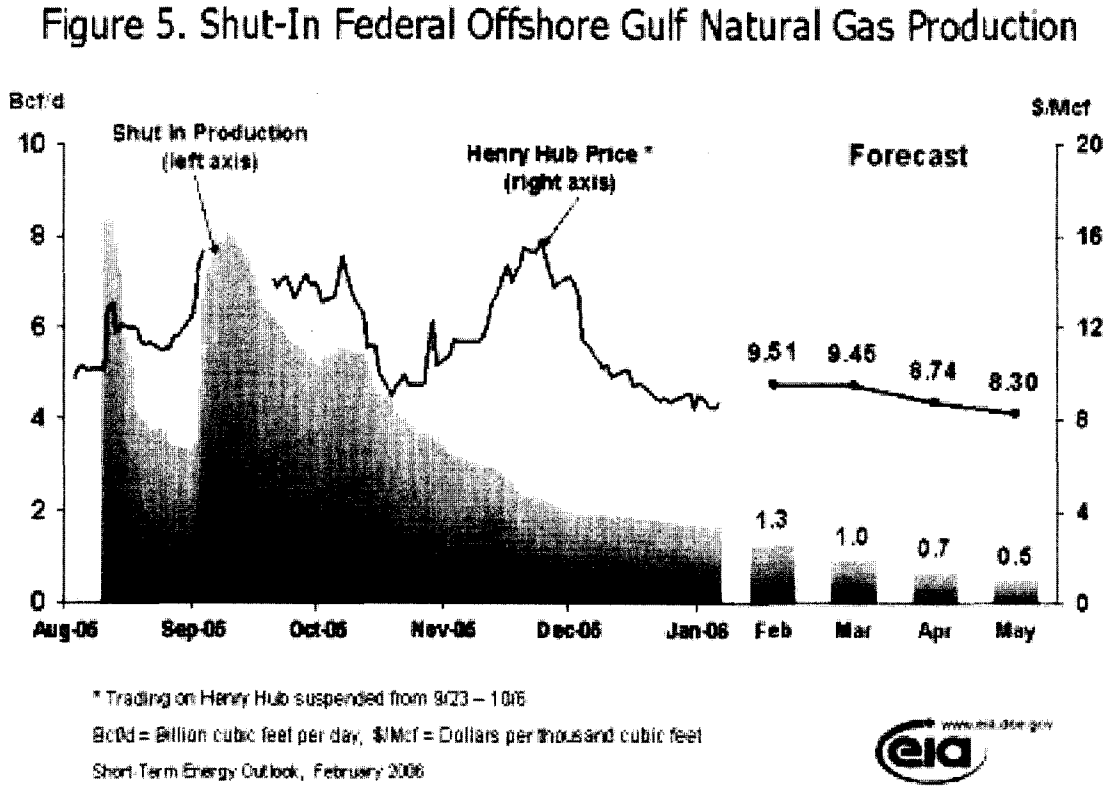
Notwithstanding the run up in prices before the hurricanes, by December the spot price had almost doubled again. Shut-in production had been reduced by over half, so the shortfall to the national market was down to three percent. Storage was well above average. With what is likely to go down as one of, if not the, warmest Januaries on record, market fundamentals had shifted in a positive direction. Notwithstanding the effects of recent hurricanes, supply and demand were less tight than before the hurricanes – demand down more than supply. Gas in storage was up over 50 percent, at what is likely to be a historic high (see Exhibit II-15).

This would suggest that prices should be similar, or even a little lower than they have been in previous years. That is not the case (see Exhibit II-16). They are running about $3.00 higher, up over 60 percent at the wellhead and in the spot market. Futures prices are even higher still, running about 40 percent above current prices and about twice as high as the estimated long run costs of production.

There was also a shift in the domestic price relationship between oil and gas. Throughout the 1990s, the ratio of the price of oil per barrel at the wellhead (West Texas Intermediate) to a thousand cubic feet of natural gas at the wellhead was about 9:1 or 10:1. In recent years, the price of natural gas has increased relative to that of crude. The ratio of wellhead crude to wellhead natural gas has declined, though, to about 6:1 or 7:1.

The correlation between oil and gas prices is a convenient explanation for the shift up in prices and some argue that "oil prices appear to be holding them [natural gas prices] up."[45] Some question whether the correlation actually represents causation. The ability to actually

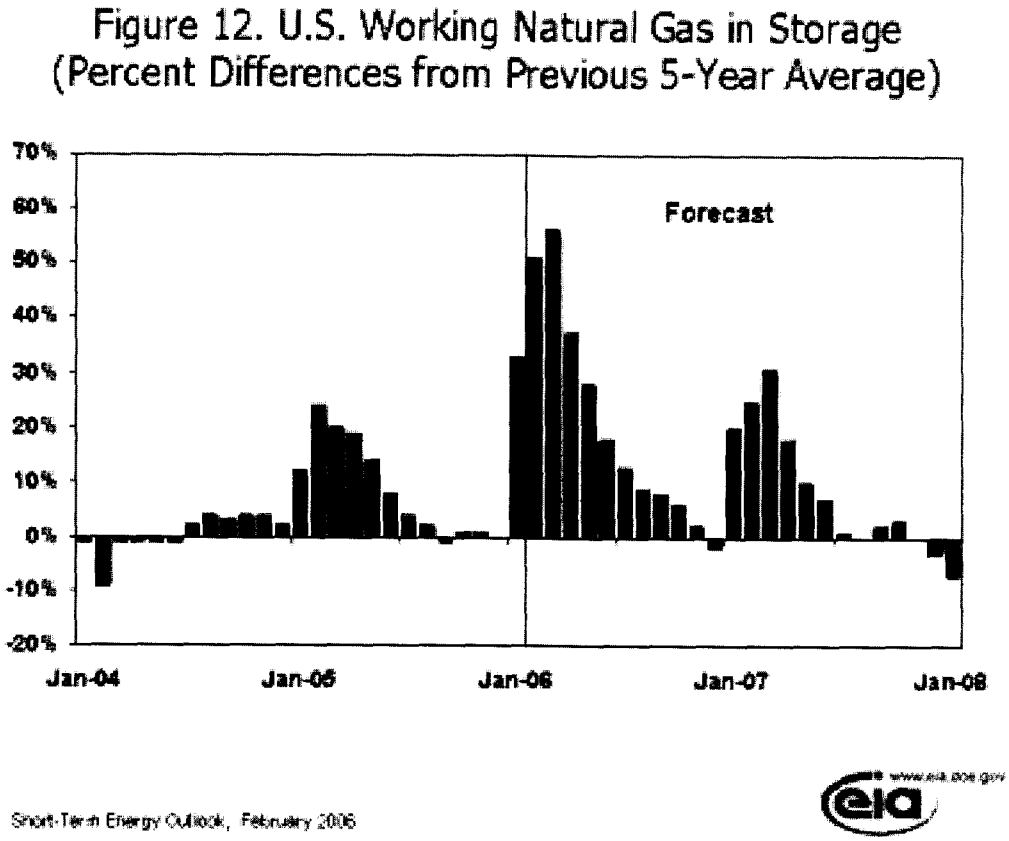
EXHIBIT II-15: HURRICANES AND PRICES



switch fuels has been declining. Therefore the cross-price elasticity of demand, which has been historically low, has been declining.

> Following up on price effects of the current tight gas market, *Stephen Brown,* from the Federal Reserve Bank of Dallas, as Director of Energy Economics and Microeconomic Policy Analysis, conceded an overall steady gain in energy prices since early 2002, a period in which natural gas spikes closely follow the track of oil prices… The 10-1 Rule ($20 to $2, oil-to-gas price) that was notable prior to the new century, according to Brown, has been supplanted in the past five years by a 6-1 Rule (oil-to-gas price ratio) in a general sense. However, a purportedly more sophisticated model of prices in the marketplace – the Aburnertip parity rule" – would appear to work better as a tracker, accounting for about 70% of the variation in natural gas prices during 1994-2005.
>
> The problem with these models, explained Brown, is the lack of any accounting for the seasonality of gas demand and contemporaneous price shifts

EXHIBIT II-16: DRAMATIC INCREASE IN STORAGE



of the fact that fuel-switching capabilities of utilities seem to have rapidly diminished in recent years.[46]

Only about 1.25 Bcf/d of U.S. natural gas demand can be shed in the short term through two kinds of market adjustment – immediate fuel switching and lower consumption of gas as a feedstock. This is the gist of a recent report by Canadian Energy Research Institution (CERI)…

The ability to switch to residual oil (resid) has declined over time due to capital requirements and emissions limits. In many instances the equipment has deteriorated from lack of use and has to be replaced…

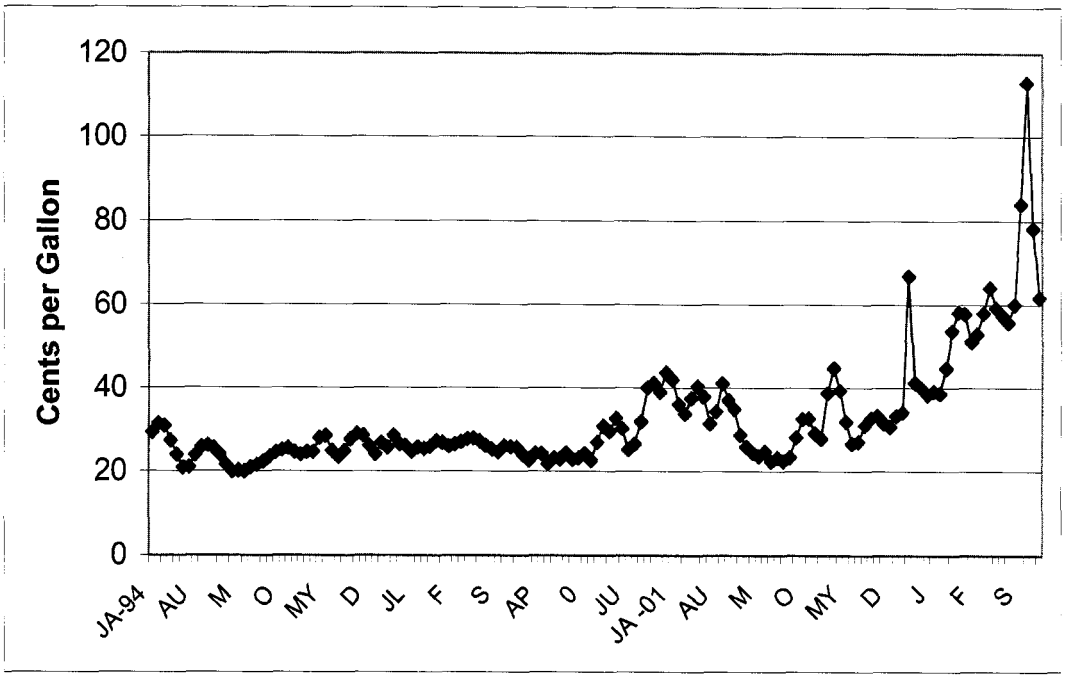
Fuel switching from gas to either resid or to distillate creates a short-term reduction of about 0.5 Bcf/d, perhaps tripling over time to 1.5 Bcf/d.[47]

The question about whether this is a mere correlation or a causal relationship is underscored by the complaints we have noted that U.S. gas prices were five or ten times above

the prices in other developed nations. Many of those nations pay the same prices for oil but the linkage between oil and gas is not evident. Because the correlation does not represent the actual ability to switch fuels on the demand side, if there is a causal relationship, it may lie on the supply side. In markets dominated by majors producers, who straddle the two fuels, and large traders who play in both commodities, the majors link the prices and holding out for prices that they think reflect the relative value of the fuels.

If we take this view, then we run into a painful irony from the consumer point of view. "Burner-tip parity," or at least the ability to expand the range over which natural gas prices will vary, is influenced by the ability of refiners to increase their margins (see Exhibit II-17). The increase in domestic spread on distillate (diesel) would translate into a substantial price increase for gas, as much as $1.60 per mcf.

EXHIBIT II-17: DOMESTIC SPREAD ON DIESEL
(Retail Minus Crude and Taxes)



Source: Energy Information Administration, Database.

Based on these fundamentals, it does not seem that a 75 percent increase in the wellhead price or a doubling of spot prices as shown in Exhibit I-2 should have taken place. In financial commodity markets, however, perception ("fear and frustration"[48]) may be more influential than facts on the ground. Thus, physical market fundamentals in the short term and long term do not seem to be an adequate explanation for the pricing behavior of recent years. Choukas-Bradley and Douglas summarized this situation as follows.

These extraordinarily high prices for natural gas have occurred during a time of supply and demand balance, a balance that has been the operative characteristic of industry fundamentals for some time. Indeed, from 2003 to 2004, prices increased dramatically despite improved market fundamentals, increasing production, higher rig counts, a robust storage position, relatively mild weather, and tempered demand. Nonetheless, we have been and remain in the midst of a climate of crisis concerning natural gas prices, with market prices subject to wild swings resulting from trading decisions by both commercial and speculative traders that respond to "psychology" and "spin," either in spite of or in the absence of reliable, real-time fundamental information. Trading of the natural gas contract on the NYMEX continues to be dominated by technical trading, with the result that in a period of stability in market fundamentals, the market will tend to see prices remain at high levels if they start at high levels, just as they would remain at moderate levels if they started at moderate levels. That is, part of what is propping up current prices is . . . current prices.[49]

ENDNOTES

[1] Pirrong, Stephen Craig, *The Economics, Law and Public Policy of Market Power Manipulation* (Boston: Kluwer, 1996), p. 10.
[2] See Bohi, Douglas R. *Analyzing Demand Behavior: A Study of Energy Elasticities* (Baltimore: Johns Hopkins University Press, 1981); Waverman, Leonard, "Econometric Modeling of Energy Demand: When Are Substitutes Good Substitutes?," in David Hawdon, *Energy Demand: Evidence and Expectations* (London: Surrey University Press, 1992), p. 16. Urga, Giovanni and Chris Walters, "Dynamic Translog and Linear Logit Models: A Factor Demand Analysis of Interfuel Substitution in US. Industrial Energy Demand," *Energy Economics,* 25, 2003, p. 18, concludes that "estimates of long run cross elasticities are well below the threshold of unity."
[3] Consodine, Timothy J. and Eunnyeong Heo, "Price and Inventory Dynamics in Petroleum Product Markets," *Energy Economics*, 22, 2000, p. 527, conclude "supply curves for the industry are inelastic and upward sloping." See also "Separability, Functional Form and Regulatory Policy in Models of Interfuel Substitution," *Energy Economics*, 1989.
[4] Pirrong, Stephen Craig, *The Economics, Law and Public Policy of Market Power Manipulation* (Boston: Kluwer, 1996), pp. 10... 24... 59. See also, Williams, Jeffrey and Brian Wright, *Storage and Commodity Markets* (Cambridge: Cambridge University Press, 1991); Deaton, Angus and Guy Laroque, "On the Behavior of Commodity Prices," *Review of Economics and Statistics,* 1992.
[5] Pirrong, pp. 10... 24... 59. See also, Williams, Jeffrey and Brian Wright, *Storage and Commodity Markets* (Cambridge: Cambridge University Press, 1991); Deaton, Angus and Guy Laroque, "On the Behavior of Commodity Prices," *Review of Economics and Statistics,* 1992.
[6] Ewing, Bradley T., Farooq Malik and Ozan Ozfidan, "Volatility Transmission in the Oil and Natural Gas Markets," *Energy Economics,* 24, 2002 p. 536.
[7] Ewing, Bradley T., Farooq Malik and Ozan Ozfidan, "Volatility Transmission in the Oil and Natural Gas Markets," *Energy Economics,* 24, 2002 p. 536.
[8] Pillipovic, Dragana, *Energy Risk: Valuing and Managing Energy Derivates* (New York: McGraw-Hill, 1998), p. 3.
[9] Matthew Seryneck, "Investors Beware," p. 37.
[10] Pirrong, Stephen Craig, *The Economics, Law and Public Policy of Market Power Manipulation* (Boston: Kluwer, 1996), pp. 10... 24... 59. See also, William Jeffrey and Brian Wright, *Storage and Commodity Markets* (1991); Deaton, Angus and Guy Laroque, "On the Behavior of Commodity Prices," *Review of Economics and Statistics,* 1992.
[11] The California Energy Commission, *2005 Integrated Energy Policy Report,* November 2005, p. 133, citing comments of Rich Ferguson, Center for Energy Efficiency and Renewable Technologies, Transcript of the October 7, 2005, Energy Report Hearing on Natural Gas Prices Issues, notes that "that natural gas prices reflect large scarcity rents above the marginal costs of production that consumers are paying." An economic rent is "a payment in excess of what is necessary to keep it at its present occupation. (Pierce, David, W., *The Dictionary of Modern Economics* (Cambridge, MIT Press, 1984). P. 124.
[12] Foster Report, No. 2558, p. 13.
[13] From National Petroleum Council web site.
[14] National Petroleum Council, *Natural Gas: Meeting the Challenges of the Nationa's Growing Natural Gas Demand*, 1999, p. 36.
[15] Energy Information Administration, *Annual Energy Outlook* 1999 (Washington, D.C.: U.S. Department of Energy, 1999), pp. 74-75.
[16] NPC, 2003, p. 5.
[17] Energy Information Administration, *Annual Energy Outlook* (Washington, D.C.: 2003), p. 2.
[18] NPC 2003, p. 7.
[19] Costello, et al., p. 22.
[20] Foster Report, No. 2558.
[21] Foster Report, No 2562, October 20, 2005, p. 37.

[22] Id.
[23] Id., p. 31.
[24] Foster Report, No. 2546, June 23, 2005, p. 32.
[25] Beattie, Jeff, "U.S. Oil and Gas Producers Investing in Mergers, Not More Drilling – S&P," *Energy Daily,* April 26, 2004.
[26] Russell Gold, "Big Oil Firms Join Hunt for Natural Gas in U.S.," *The Wall Street Journal,* November 29, 2005, A1.
[27] Foster Report No 2576, January 27, 2006, p. 17.
[28] Platts, *Gas Daily,* Jan 17, 2006, pp. 1Y 6.
[29] Platts, *Gas Daily* September 27, 2005, p. 4.
[30] Gold, "Big Oil," p. A15.
[31] Foster Report, No. 2538, p. 2.
[32] Platts, *Gas Daily,* February 7, 2006, p. 6.
[33] Foster Report 2563, October 20, 2005, p. 20.
[34] Norris, Floyd, "High Profits, Sluggish Investment," *New York Times,* February 3, 2006, p. C-1.
[35] Floyd, "Sluggish Investment," p. C-1.
[36] Floyd, "Sluggish Investment," p. C-1.
[37] Floyd, "Sluggish Investment," p. C-1.
[38] Foster Report, No. 2546, June 23, 2005, p. 32.
[39] Choukas-Bradley, James R. and Michael Donnelly, *A Report on Projected Natural Gas Prices and Dynamics of the Natural Gas Market for 2005 and Beyond,* February 11, 2005.
[40] Platts, *Gas Daily,* Sept. 9 2005, p. 6.
[41] Platts, *Gas Daily,* October 10, 2005, p. 6.
[42] Platts, *Gas Daily,* November 18, 2005, p. 3.
[43] Chernoff, "Unusual Signals."
[44] Platts, *Gas Daily,* Jan. 23, 2005, p. 4.
[45] FERC, The Basics, p. 2.
[46] Foster Report No. 2576, January 27, 2005, p. 14.
[47] Foster Report, No. 2536, pp. 25.. 26.
[48] Barrionuevo, "Energy Trading," p. 3-3.
[49] Choukas-Bradley, James and Michael F. Donnelly, *A Report on Projected Natural Gas Prices and Dynamics of the Natural Gas Market for 2005 and Beyond,* February 11, 2005, pp. 1-2.

III. THE SHORT, TROUBLED HISTORY OF NATURAL GAS TRADING

Physical markets provide the context for financial markets; they do not explain the behavior of those markets. Factors that make markets vulnerable to a narrow range of strictly manipulative behaviors, like corners and squeezes, also make them vulnerable to a broader range of suspicious activities identified in the literature as abusive – front running, wash trading, rumor mongering, etc. Also, they make markets prone to volatility and, under some conditions subject to upward pressures on prices. The characteristics of energy markets make it easy for traders to exploit physical problems. Under these circumstances, the lack of transparency and oversight in the natural gas commodity markets is an open invitation to behavior that makes matters worse.

Given the vulnerability of the market, it is not surprising to see a price spiral. The history of trading in energy commodities, especially natural gas, has been wild and painful, to say the least. The behavior of this market gives rise to a pervasive suspicion, which is well justified. What has been documented has been limited to written complaints settled at the Commodities Futures Trading Commission (CFTC) or in federal court cases. While regulators and law enforcement scramble to catch up, consumers pay the inflated price. Catching abuse after the fact is not enough. Energy commodity markets need more transparency and more oversight so that problems can be prevented.

A. Act One: Planting The Seeds of Dysfunction

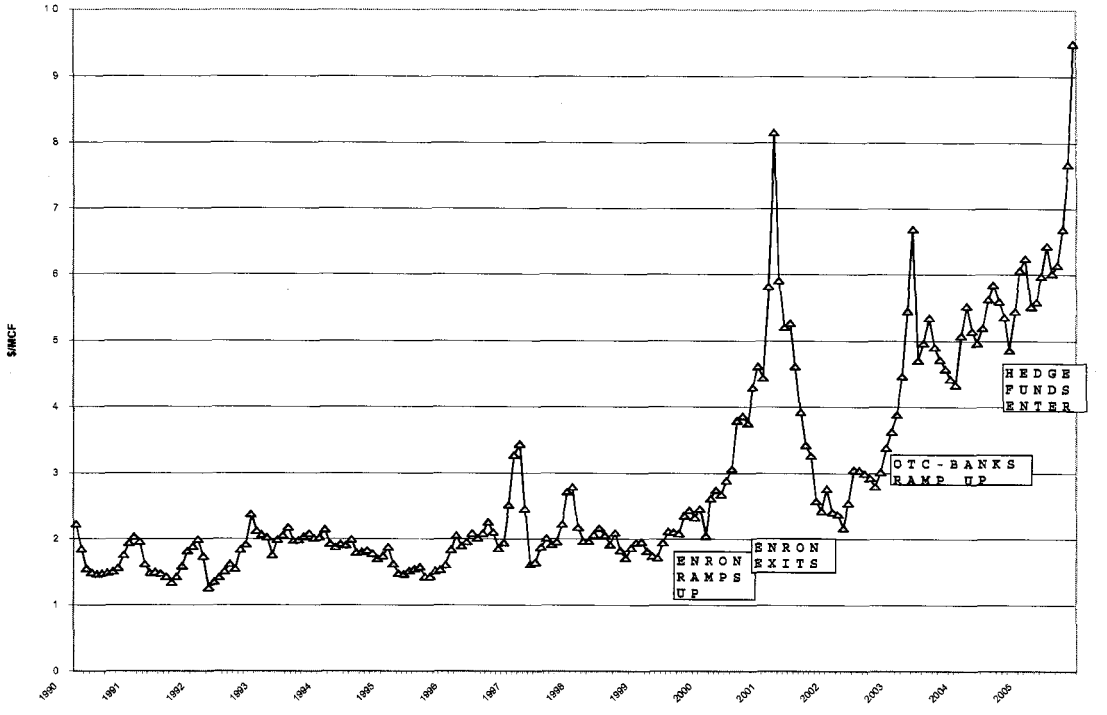
1. Trading Spins Out of Control

The setting of wholesale natural gas prices through trading in commodity markets is a recent phenomenon. The first natural gas market center, known as the Henry Hub, was set up in 1988, soon after deregulation of "old gas" in 1985. Hubs are locations where natural gas pipelines meet and the services necessary to physically exchange natural gas are located for traders who want to take delivery. The wellhead price of natural gas was not fully decontrolled until 1989. Early in 1990, the first natural gas futures were traded on the New York Mercantile Exchange (NYMEX).

A close look at the timing of the changes in trading activities and the movement of prices shows a coincidence that is just too striking to ignore. Exhibit III-1 overlays key points in the short history of natural gas commodity markets on the price history.

Natural gas prices were stable throughout the 1990s. While there were a couple of spikes in spot markets in the 1990s, spot and futures prices generally tracked the wellhead price closely in a narrow range of $2 - $3 per thousand cubic feet (mcf). After a slow start, these markets were said to be efficient in a technical sense.[1]

EXHIBIT III-1: WELLHEAD PRICES AND CHANGES IN TRADING ACTIVITY



Source: Energy Information Administration, *Natural Gas Database*.

This pattern came to a dramatic end in the spring of 2000. In the spring of 2000, natural gas prices at the wellhead began a sustained period above $3 that lasted for 16 months. The average price of natural gas in 2000-2001 was about twice the price of the previous decade. Spot market prices peaked at four times the average of the previous decade. Coincidentally, this was the period in which, it later came to light, a number of companies were manipulating or attempting to manipulate the market. This was the period during which the Enron-style merchant traders engaged in abusive practices.

Electricity deregulation emerged in the mid-1990s while the Federal Energy Regulatory Commission pressed deregulation and unbundling of natural gas pipeline markets, particularly in California. The California electricity crisis, which was interrelated with natural gas prices, had put pressure on these commodity markets.

Simultaneously, Enron launched its Enron Online trading platform in November 1999. It had moderate levels of trading (about $50 billion) through the first half of 2000. Subsequently, Enron's total trading exploded. In the first half of 2001, it did over ten times as much (half a trillion dollars).[2] Prices skyrocketed as well. Volumes escalated sharply and Enron played a key role. As a recent *New York Times* article noted, "Some traders have said that Enron Online was dominant enough to enable Enron to set market prices."[3]

While the Western electricity markets attracted the most headlines and revealed the most blatant abuses in terms of withholding of physical supplies and bogus trades, natural gas

markets were not immune. Enron played a large role in these markets and when it collapsed, so too did much private trading.[4] A court ruling allowing a lawsuit against Enron for abuse of commodity markets can be used to make the point: "Enron was positioned to yank prices up because its Enron Online [EOL] trading platform controlled fully 40 percent of average daily trading on the Henry Hub natural gas spot market. Further, other traders in that market "routinely looked to EOL and Enron for current [Henry Hub] spot market pricing information," according to the CFTC complaint.[5] The Henry Hub is the most important price setting spot market in the nation. This market share of activity by a single entity would virtually ensure that the hub was highly concentrated at that time.

By late-2001, signs of trouble at Enron were evident and trading began to dry up. In December 2001, bankruptcy shut down the platform. Trading did not recover for a period. Prices declined and remained stable.

> In February 2002, shortly after Enron declared bankruptcy, UBS took over Enron's natural gas and power trading operation and Enron Online. With little volatility to trade around, UBS started firing traders and switched off the Internet trading platform. By May 2003, it had closed the Houston operation.[6]

Between the end of 2002 and the beginning of 2005, two dozen companies would settle over thirty CFTC complaints of market manipulation or attempts to manipulate the natural gas market with fines running in excess of $4 billion. The cases involved:

- the misreporting of information about storage, pipeline capacity and both the quantity and price of natural gas trades;
- abuse of affiliate relations;
- the improper sharing of insider information; and
- manipulation and charging of illegal prices.

These are the trading market abuses. In addition, there are a number of securities violations proven and pending.[7]

2. Public Policy Opens the Door to Abuse

The biggest long-term change in 2000 was not the spike in natural gas prices, however, it was the passage of the Commodity Futures Modernization Act (CFMA). While the CFMA did not change the legality of many of the activities that were taking place, it made it more difficult to detect them and it opened the door to many other types of transactions that raise concerns. As one analyst put it:

> What did the Commodity Futures Modernization Act (CFMA) of 2000 do?
>
> First, let me point out that the over-the-counter market in derivatives has never been adequately regulated. The market emerged only recently, and most of its

growth has occurred in the past fifteen years. At first, this market was largely ignored by regulators, and after it grew to a size that demanded it be addressed, the regulators found it difficult to define the line of jurisdiction over the markets because of poorly written laws and richly endowed political opponents to such regulation.

Before passage of the bill in December 2000, the government retained authority over fraud and manipulation in the over-the-counter derivatives markets. In addition, market participants were restricted under Rule 35 from conducting over-the-counter markets like an exchange.

The CFMA was a major bill that drastically reduced the level of prudential regulation of derivatives markets. It reduced transparency and the government's surveillance abilities over exchange-traded derivatives, and it completely eliminated or "excluded" federal derivatives regulation of the over-the-counter market. Enron operated in that completely deregulated environment.[8]

This concern about the deregulation and lax regulation of natural gas trading markets extends to consumers. For example, in pushing for reform of the Act, the American Public Gas Association argues

"Passage of the Commodity Futures Modernization Act of 2000 has significantly changed natural gas markets. As a result, we believe that the CFTC should be given additional authority to oversee and carefully monitor markets. Given the abuses in energy markets we have seen over the past several years, strong market oversight is more important than ever to protect consumers and ensure that markets are functioning properly.[9]

Large industrial users express similar concerns.

Natural gas traders on the New York Mercantile Exchange (NYMEX) were sharply criticized for "fostering high and volatile natural gas prices at U.S. consumers' expense" by Peter Huntsman, President and CEO of the corporation bearing his name... Mr. Huntsman charged, "hedge funds and other paper traders on the New York Mercantile Exchange continue to enrich themselves while U.S. gas consumers are forced to endure the result of the world's highest and most volatile natural gas prices....

Mr. Huntsman is "surprised" that more natural gas consumers are not "outraged" over the imbalance in the U.S. economy created by a "natural gas pricing system that has been out of control since Congress enacted the Commodities Futures Modernization Act in 2000."[10]

The criticism is not limited to users and their advocates. A similar sentiment was expressed in a 2005 article in the *Journal of Futures Markets*.

> Many scholars have recognized the cash-settlement manipulation problem, but few have formally addressed it. The lack of interest may have been due to the fact that, until recently, most U.S. exchange-traded cash settled derivative contracts were based on broad indices of very liquid stocks. Manipulation of such instruments requires very large trades that are costly to make and easy to detect through conventional surveillance.
>
> The prospects for manipulation increased substantially with the passage of the Commodity Futures Modernization Act of 2000 (Act). The Act authorized trading in single-stock futures and narrow-based index instruments, and the Act specifically permitted cash settlements. These new instruments will not necessarily have liquid underlying securities. Further, all else equal, fewer numbers of securities will be easier to manipulate than larger numbers.[11]

The over-the-counter derivatives market in natural gas is a derivative that rests on a narrow base, whose liquidity at key moments is unclear, and which is subject to no surveillance whatsoever.

The very high prices (by historical standards) of 2000-2001 were not sustained. By the winter of 2002 the national economy was in a recession. The Enron-generation of energy traders was slipping into bankruptcy. The market evaporated in mid-2002 under the suspicions of manipulation and fraudulent accounting.

B. Act Two: Reaping the Whirlwind

1. Trading Ramps Up and Prices Follow

The trading aspect of the electricity and natural gas industries quickly returned to the relative safety of trading around assets and marketing activities.[12] These behaviors are derisively called a "flight to quality."[13] Perhaps not so coincidentally, prices moderated in 2002, declining by 25 percent on average, but settling about 50 percent higher than the decade of the 1990s. The relationship between crude oil prices and natural gas prices had moved back toward the average of the 1990s.

For some, the collapse of Enron Online and the merchant traders represented a loss, even a crisis.[14] To speculators and traders who believe that everything that can be traded should be, as often as possible, this looks like an alarming situation of illiquidity. By late 2003 the big banks and large speculators began to enter and accelerate trading to deliver the consumer from the doldrums of slow, stable prices.

It appears that trading activity began to revive in late 2003 and price began to lift off again.

> Wall Street banks are notoriously fickle about their commitment to commodities trading. But the eye-popping profits earned by the market leaders, Goldman Sachs and Morgan Stanley, have spurred other banks to get into the game. In 2004, Goldman Sachs and Morgan Stanley earned about $2.6 billion combined from commodities trading, most of that from energy.[15]

The massive influx of hedge funds appears to have ramped up in mid-2004 followed by the 2005 skyrocketing of prices.

> The new hedge funds are sucking scarce talent away from the banks. At least 450 hedge funds with an estimated $60 billion in assets are focused on energy and the environment, including 200 devoted exclusively to various energy strategies.[16]

In the post-Enron period the rules of entry were relaxed to let more entities into these lightly regulated or unregulated markets.

> Some lawmakers and consultants argue the government has done little to shore up the energy markets most susceptible to manipulation. The Federal Reserve relaxed rules in 2003 so that Commercial banks like Citigroup would take possession of physical commodities like oil in storage tanks... The move allowed the banks to serve as dealers in commodity derivatives...
>
> "It is an effort by banks to move into the terrain that Enron abandoned in their bankruptcy...
>
> As early as October 2002, less than a year after Enron declared bankruptcy, the Commodity Futures Trading Commission started to write rules exempting commodity hedge funds from regulatory oversight.[17]

Finding detailed data and analyses of the movement of hedge funds and banks into energy trading is difficult, since little official information is gathered, not to mention reported. The following relies on a series of analyses published over the course of a year by UtiliPoint International and Global Change Associates, who announced a "multi-client study on the Hedge Funds entry into energy trading markets" in a note published on July 15, 2004. The numbers track well with other accounts.

After a hiatus of a year or so, the volume of trading increased dramatically and by mid-2004 it had returned to the level reached at the point of the collapse of the Enron generation of traders. This time trading was dominated by a completely new set of players – investment bankers and multinational oil and gas companies. As trading and prices began to mount, the hedge funds moved in. It appears that the number of energy hedge funds increased from about

100 to over 400,[18] and those specializing in energy commodity trading increased from 10 to over 200.[19] The volume of trading in over-the-counter markets has exploded. One estimate of over-the-counter trading through a NYMEX platform shows a sevenfold increase between June 2003 and June 2005.[20]

While the analysts who hype the energy trading are adamant that this liquidity is good for the markets, they at least admit that it might "accentuate" upward trends. However, their descriptions are a cause for even greater concern.

> Hedge funds bring increased sophistication, liquidity, and the risk culture and trading acumen to bear on energy commodities markets. Seeking new opportunities to obtain greater returns, hedge funds see energy markets as providing that opportunity. Likewise, the investment banks have a risk trading culture, deep pockets, and access to both physical and financial traders. Even the energy companies with surviving trading arms are now partnering with investment banks to sustain and improve trading operations while obtaining access to increased expertise, more sophisticated tools, and risk capital. Moreover, we have the multinational oil and gas companies with the balance sheet to put their capital at risk. It is no accident that BP is the No. 1 gas trader and in the top five in power trading. BP has the balance sheet and supply to play in this new financial market.[21]

While analysts debate which approaches are the most profitable for new traders entering the market, there is no doubt that the influx has been massive.

> NYMEX gas futures trading underwent a fundamental shift in 2005 as speculators jumped into the market, intent on harvesting big profits from the surge in volatility, several analysts agree.
>
> Peter Fusaro, co-principal of the Energy Hedge Fund Center, said last week that conventional gas traders such as utilities have been sidelined over the past year as speculators have increasingly "financialized" the gas market.
>
> Funds held more than 50% of the open interests in the NYMEX Henry Hub contract at year's end, Fusaro, said, which he called evidence of "structural change in energy commodity trading."
>
> He said that, because hedge funds thrive on volatility, the market has become faster-moving – and harder to predict...
>
> And Fusaro said hedge funds' interest in energy commodities is likely to grow even more in 2006, potentially making trading a riskier proposition as the amount of money changing hands increases at a quicker pace.

> Citigroup Global Markets analyst Kyle Cooper agreed with Fusaro that there has been a substantial shift in the market due largely to the increased presence of non-commercial traders.
>
> "The magnitude of the changes is quite dramatic and very significant," Cooper said. AWhat must be taken into account is what kind of risk you think you have at stake. The magnitudes of the moves are certainly phenomenal. Historical comparisons are thrown out the window."[22]

When risk capital seeking higher returns starts to chase a commodity like natural gas that is relatively fixed in supply and demand in the short and mid terms, it is hard to imagine that it will not have an impact on prices. Most attention was still focused on oil because that was a more mature market, but the effect was seen as spreading to natural gas.

> More than 200 hedge funds already play or are set to play in energy commodities markets, and they are primed to bring more risk capital to bear in those markets. Evidence of their trading activities is already speculated to account for the much higher crude oil prices seen in recent months, and some analysts suggest that hedge fund activity may account for up to $8 per barrel of total price. Additional evidence of their influence has been the 55% growth in open interest on NYMEX crude, heating oil, and gasoline contracts over the past year and the more violent and volatile intraday trading during recent months. What happened in oil has spread to gas, power, and coal.[23]

The figure of $8 per barrel as a "hedge fund activity premium" in oil is a stunning number for mid-2004. It represents approximately 20 percent of the refinery acquisition cost in 2004 and two-thirds of the $12 increase in refinery acquisition costs between 2002 and 2004. Below, I discuss a study prepared for the U.S. Department of Energy that suggests a disconnect between natural gas energy futures prices and the underlying resource costs of $2.30 per thousand cubic feet (mcf) of natural gas production costs. This figure is equal to about 20 percent of the natural gas wellhead price in 2006 and over 50 percent of the increase in natural gas wellhead prices between 2002 and 2006.

2. Growing Concerns About Trading

The opportunity to straddle a variety of markets is also being exploited by the new players. They can take positions in lightly regulated exchanges and unregulated over-the-counter markets, directly hold physical assets, and participate as large players in equity markets.

> However, even on this front, the oil companies seem to be lagging behind the speculators, as investment banks have already been active buying reserves in the ground.

> Many of the existing macro funds pursue long/short commodity trading strategies taking bets in a variety of markets... These funds tend to be larger and well-established with significant assets under management. Many of them are increasing their exposure as the trend in energy prices is upward taking long positions. Some of the macro funds engage in playing the spread between commodity markets and equities going long on energy commodities and short on energy equities for example.
>
> Indeed, early returns suggested for many of these funds from energy commodity trading have been spectacular (one fund that we know of has reported 240% returns to date in 2004) and only serve to attract other macro funds to bet some of their assets in energy markets as well. [24]

Chasing high profits in the energy sector in markets that lack transparency increases risk, which demands higher returns.

> What is readily apparent from all of this activity is that the fund community now sees the energy complex fundamentals trending to higher prices and that it offers them an attractive sector in which to inflate sagging returns for investors.[25]
>
> Plainly, the entrance of hedge funds is reigniting the energy trading phenomena. By increasing liquidity through the introduction of additional risk capital and by improving the counterparty credit situation with strong balance sheets, the funds are providing the market some positives. However, the lack of detailed physical energy knowledge and reliance on black box models by some in the hedge fund community combined with the lack of visibility into their activities ought to cause some unease and concern. The last thing the energy markets need is yet another speculative trading-led implosion.
>
> Those that get it right most of the time are the multi-national oil companies and the two big investment banks – Morgan Stanley and Goldman Sachs....
>
> Except for a handful of funds, they just can't stack up against the great oil trading companies like Vitol or BP and the investment banks, and since energy trading is a zero sum game, the wealth transfers could be massive. Count on more great quarters for Morgan Stanley's and Goldman Sachs' commodity shops. The other investment banks such as Merrill Lynch, Barclays, Bank of America and Deutsche Bank are now playing catch up.

This prediction of increasing profits made in October 2004 proved quite correct. The bonus pool at Goldman Sachs, one of the key members of the "triangle of trading," has raised some eyebrows. This activity simply cannot be costless.

> The bonus pool, as we've heard ad nauseam, is overflowing with some $11 billion. Mr. Paulson, the chairman and chief executive, alone took home 437 million, or about 800 times the median household income in the United States. Well done. The question is whether all of this is sustainable – and, of course, whether the bank hasn't turned into a huge hedge fund.[26]

By mid-year 2005, given the lack of regulation and the huge sums of money changing hands, even the most ardent defenders of commodity trading became a little worried.

> We see the potential for a looser regulatory regime and collision course with Sarbox passé during the height of media attention on the scandals.... But, actually, pragmatic regulation is a good thing... Government at all levels clearly failed in the Enron/Energy Merchant scandals....
>
> So what's the impact on energy markets? We are fearful of more "unruly" traders starting up their old tricks again. During this spring, one gas trader was front running overnight electronic gas markets on NYMEX's Access, which is a NYMEX vulnerability. We don't see adequate market surveillance and enforcement from either the SEC or the CFTC. We expect more hedge funds to blow up (some already have) in energy commodity trading and unfortunately more phantom and wash trading, i.e. "market manipulation." This goes back to how traders are incented in the first place.
>
> It's really not necessary to create an environment in which criminal activity may flourish again as we are in the midst of the greatest commodity bull market for natural resources of all time. The fundamentals of this demand-driven market will drive us to higher highs and much more price volatility. But a good friend in New York once told me that commodity traders were the "lowest form of life" (he is still one), and I would add New York real estate brokers to that list too. Gordon Gekko, the character in the movie Wall Street, sums it up, "Greed is good." There is never enough money to be made. It has much more to do with ego than money!
>
> We just hope that any further issues don't rain on everyone's parade and that politicians such as Senator Feinstein keep talking and do not take action on real regulation of the OTC derivatives market. If that occurs, all this business will flee to offshore accounts. In fact we are hearing that more and more hedge funds are moving in that direction setting up Cayman Island, Nassau and other vehicles to protect themselves from US financial disclosure. We are in the ramp up stage for energy hedge funds and we are becoming convinced that there is a real business in a "due diligence" service of these startups.[27]

The NYMEX Henry-Hub natural gas price for May, the month before the above piece was written, averaged a little over $6.50/mcf. That was just about the average for the first four

months of 2004. For December 2004, it was just under $7.00. In December 2005, the spot price averaged close to $14.

Before Hurricane Katrina, the NYMEX futures market had already lost touch with the physical market. Market trends throughout the year were causing consternation among analysts.

> First, until the mid-November cold snap, spot prices throughout North America were a minimum of $1-2/mmbtu below the Henry Hub prices, and as much as $4-5 lower in the Rockies and points further north and west. While large discounts to spot are common in the Rockies and Western Canada (because of limited take-away and storage capacity), the existence of any discount, let alone a large discount at points like New York Citygate or the Chicago Citygate, is highly unusual. Midwestern and Northeastern discounts to Henry Hub literally mean that if transportation were costless and instantaneous it would be profitable to ship natural gas from the major load centers to Southwest Louisiana.[28]

With hundreds of billions of dollars at stake and a vital commodity gyrating wildly in price around a dramatic upward trend, one would think that policymakers would examine these markets closely, but that is not the case. As a recent analysis from a hedge fund analysis firm, entitled "Hedge Funds Change Energy Trading," pointed out,

> Historically, most hedge fund managers have not been required to register with the U.S. Securities and Exchange Commission (SEC) and, therefore, have not been subject to regular SEC oversight...
>
> Further, hedge funds are not subject to the numerous regulations that apply to mutual funds for the protection of investors, such as those requiring a certain degree of liquidity, the ability to redeem mutual fund shares at any time, the protection against conflicts of interests, assurance of fairness in the pricing of fund shares, disclosure regulation, the limitation in the use of leverage, etc.... The recent SEC financial disclosure requirements are really light-handed regulations used to assuage public concerns over financial markets and have had little impact on hedge fund investment.[29]

Ironically, for analysts, the unregulated nature of hedge fund trading makes it difficult to estimate how much activity is taking place.

> While the CFTC data shows futures and options positions on the NYMEX, it does not reflect the OTC energy markets at all. This is still where most oil and gas trading takes place. Futures dominate short-term trading while the OTC markets dominate the long-term energy markets. Moreover, a trader may be classified as "commercial" in some commodities and as "non-commercial" in others. It has shown a rise in "non-commercial," indicating some of the funds

presence, but quite frankly, funds also trade through banks. We therefore feel that the data is only showing the tip of the iceberg in terms of the real presence of fund trading which will continue to grow.

The relatively secretive and unregulated nature of the funds and their activities help to cloud an assessment of their true level of activity.[30]

The liquidity provided by the hedge funds is evidenced on the front end of the markets through both NYMEX and IPE oil and gas futures trading, but is much more established in the OTC energy markets. Like the hedge funds themselves, these markets are not price regulated, and have a degree of price opaqueness.[31]

3. A Broader Pattern of Abuse in Energy Markets

Natural gas markets share this pattern of abuse with other energy markets. Unilateral actions by any of a number of individuals in any of a number of circumstances provide a landscape in which upward price movements are probable. "There are regular squeezes in the Brent [oil] market... The whole trick is to collect more money in CFDs [contract for differences] than you lose on the physical squeeze... People seem to do it in turn. It depends on who's smart enough to move in a way nobody notices until it happens."[32]

In a case brought by a private party in late 2001, the practical reality was revealed.

Tosco won a settlement claiming that Arcadia Petroleum (a British subsidiary of the Japanese firm Mitsui) engineered an elaborate scheme to manipulate oil prices in September of 2001 through the use of OTC derivatives and a large cash market position to corner the market in Brent crude oil. As a result, the price of Brent crude soared between August 21st and September 5th and pushed its price to a premium over West Texas Intermediate crude oil (WTI)...

Dated Brent, which acts as a price marker for many international grades, is physical crude traded on an informal market, rather than a regulated futures exchange. This lack of regulation poses problems for oil producers and consumers seeking a fair price... A typical Brent squeeze involves a company quietly building a strong position in short-term swaps called contracts for difference, or CFD's, for a differential not reflected in current prices. The company then buys enough cargoes in the dated Brent market to drive the physical price higher, which boosts the CFD differential...

The Company may lose money on the physical side, but it's more than compensated for by profits on its offsetting paper position in the short-term swaps market.[33]

These abuses persist in markets that are actually more difficult to move than natural gas markets. For example, in January 2006, the CFTC reported a settlement in oil trading:

> The CFTC said that it found that, on at least five occasions from November 2003 to March 2004, traders for Houston-based Shell U.S. Trading & Shipping Co. executed prearranged and noncompetitive trades in crude-oil futures contracts in violation of exchange rules. In each instance, the regulator found, Shell traders agreed to swap a prearranged quantity of oil-futures contracts in the same month...
>
> The CFTC said that none of the prearranged trades included prior agreements on pricing for the contracts, thus distinguishing the transactions from so-called round-trip, or wash, trades...
>
> Heavy wash trading in the natural gas market in the U.S. earlier in this decade undermined the credibility of that market. Oil-futures, however, are more liquid, making it much more difficult for isolated trades to distort prices. In late 2003, BP PLC agreed to a record $2.5 million fine with NYMEX, settling charges of improper crude oil trading, including wash trading.[34]

Well after the headlines died down, this type of trading continues. Note that the parent corporations of the two entities mentioned in these complaints are two of the largest natural gas marketers, who account for almost one-third of the gas marketed in the U.S. *The Wall Street Journal* noted that the settlement of "the fines come at a time of popular resentment over steep energy prices."[35]

C. Moving Markets: Theory And Practice

Manipulation of markets receives a great deal of press attention and has been a prominent feature of energy markets in recent years, while the legal literature focuses on manipulation very narrowly defined as "the exercise of monopoly or monopsony power in a futures market (or more generally a derivative securities market) and/or the cash marker for the underlying commodity near the expiration data of the future (derivative security)."[36] However, there is a broader range of behaviors that are a concern.

> Manipulation in the commodity futures markets takes many forms. They may be manipulated through rumors or false information conveyed in the market. Prices may also be manipulated through rigged trades or the use of "capping" or "pegging," by which market prices are set at artificial levels for margin purposes, price setting and other reasons.[37]

Whether or not all of these behaviors violate some statute, they can have an effect on prices and pricing behaviors. In fact, virtually every one of this list of horribles has been alleged to have occurred in energy markets in the past decade, as illustrated by consent

decrees, fines and court cases. Given the importance of natural gas as a commodity and its inherent vulnerability, a very broad range of practices that can move prices should be a concern. Thus it is important to identify different categories of behavior and "[I]t is essential to distinguish the exercise of market power near expiration of a futures contract from the effect of large trades that move prices."[38] Moreover, circumstances in which traders can exploit shortages should also be a source of concern.[39]

The important point, however, is not that these behaviors take place, but that the structural conditions that make them possible are very deeply engrained in energy markets and have a broad impact on prices. The factors identified as making manipulation more or less likely also enable other malevolent behavior while making markets more susceptible to price peaks. There are a variety of structural and behavioral ways that financial commodity markets can push prices up. Volatility and churn can be costly. Brokers take fees and traders take a spread on every transaction. Volatility increases risk, which then demands rewards. Producers, in turn, want volatility insurance. If each of these factors creates a small increase in price, it adds up to substantial increases given the amount of money involved.

Other structural factors may play a part in raising the consumer's price. Different players enter the market with different incentives and under different constraints. While there is a winner for every loser, it may well be that those who are in the market to procure gas for actual consumption are at a disadvantage. They need to keep the house warm, while financial players are only in it for the money. Given the experience of recent years, the ability to move the market, legally or illegally, simply cannot be dismissed. The line between what is legal and illegal is quite unclear.

The underlying dynamic in the natural gas market is between physical consumers, who are short – they need to buy supply to keep the house warm – and the physical and financial seller, who are long. They have commodities, or promises that they will deliver them.

> Shorts must pay current owners of the commodity increasingly higher prices in order to compensate current owners of the commodity for the surplus foregone.
>
> When friction exists, shorts must bid up the price in order to increase the number of deliveries as the current owners of the commodity anticipate that they will incur search costs themselves or forgo some consumption.[40]

Volatility and volume, which are lauded as a demonstration of liquidity in the markets, also have a dark side. They open the door to abuse.

> In a commodity futures market in contrast, the victims of market power create their own downfall by trading with the manipulator; if they did not trade with him on a large scale, he could not accumulate the large positions that allow him to exploit frictions in the delivery end game.[41]

> [A] trader who does not possess any informational advantage is able to acquire market power as long as the flow of the orders from other traders to the futures market is sufficiently volatile and large relative to the size of deliverable supply... Put another way, the existence of "noise traders" makes fraud possible.[42]

> Volatility also raises the cost of gas by building in a premium.

> Increased volatility increases the value of producers' *operating options*. options to produce now (at an "exercise price" equal to marginal production cost and with a "payoff" equal to the spot price), rather than waiting for possible increases or decreases in price. These options add an opportunity cost to current production: namely, the costs of exercising the options rather than preserving them. This and increase in volatility increases the opportunity cost of current production.[43]

The extreme volatility of the market and its vulnerability to price spikes, exploitation of tight conditions, and manipulation can be seen in the reaction to news and events. "Volatility around the time that the gas storage report is released is considerably greater than normal."[44] We should not forget that "normal" in natural gas is an already high level of volatility. In 2004 there was a notorious incident in which a misreported storage number drove prices up sharply.[45] Although the Federal Energy Regulatory Commission concluded that the mistake had been inadvertent, it underscores how vulnerable these markets are.

There are strands in the technical literature, particularly on energy, which support a number of propositions that lie at the core of the concern about the recent behavior of the natural gas market. These markets are inefficient, allowing supranormal trading profits.[46] Increases in volatility lead to higher risk premiums.[47] Increased volatility results in lower production as producers exercise their option to hold assets in the ground.[48] Increases in volatility drive spot prices farther above futures prices.[49]

This is not to suggest that there is unanimity in these interpretations. Indeed, the technical analysis of natural gas prices is all over the map:

- positive and negative net hedges,[50]
- positive and negative betas,[51]
- efficiency and inefficiency in price discovery.[52]

In short, the technical literature sheds little light on how this market works. The important point here is that one cannot assume that the market is "working" just because it is a market. There are structural conditions that may impose inefficient and unnecessary costs on consumers, exploitation of tight markets, and opportunities for abuse.

This basic proposition is true of the broader literature on financial markets. There are strands in this literature that identify potential and actual abusive practices. Many of these are directly relevant to the natural gas market, including:

- manipulation facilitated by large positions[53]
- lack of transparency,[54]
- structural advantages enjoyed by large traders,[55]
- the exercise of market power,[56]
- insider trading[57] and self-dealing,[58]
- trading practices that accelerate market trends,[59] perhaps causing them to overshoot.[60]

> The academic literature focuses on fairly sophisticated transactions.
>
> Cash-settled derivative contracts are susceptible to manipulation. Manipulative traders may profit by taking large positions in the contract and manipulating the underlying cash settlement price. Whether such manipulations would be profitable depends on whether the cost of manipulating prices in the underlying markets are less than the benefits of making favorable cash settlements.

The citations above come from an article that makes the case that position limits are necessary in these markets on the basis of very sophisticated situations in which surveillance will be a challenge. These manipulations rest on taking sophisticated contrary positions in different markets. Actions that appear as losses in one market are actually more than compensated by gains in another market. The complex types of manipulation that this sophisticated analysis identifies are different from the more blatant types of manipulation that attract headlines. The support for limits stems from the fact that oversight alone cannot detect abusive trading practices. The complex theory is as follows:

> If manipulations were easily identified, increasing surveillance efforts would be sufficient to reduce manipulations by increasing the probability of detection and subsequent prosecution with regard to the narrow-based derivative contracts. Successful prosecution of manipulation, however, is difficult, because prosecutors must prove manipulative intent (scienter). Manipulators may avoid liability by offering plausible alternative explanations for their trading in the underlying securities. The most plausible such alternative is that they traded the underlying securities before expiration to ensure that they would not lose their economic positions in the underlying risks when the contracts expired. Because this explanation generally is plausible, surveillance

coupled with prosecution may not provide an adequate safeguard against true manipulation.[61]

Position limits directly limit manipulation by limiting the size of derivative positions that would benefit from manipulative practices. Position limits can potentially improve economic efficiency by reducing manipulation in a less costly manner than surveillance alone. However, they can be set too high or too low.[62]

Unregulated markets make the problem particularly acute. With huge sums being traded in these unregulated markets, regulators do not know what is going on. It is also the case that trading, even without manipulation, can have negative effects on the market and specific types of players therein.

Even when the settlements of cash-settled contracts are not purposefully manipulated, the settlement mechanism may increase underlying volatility when hedgers unwind their hedges if they have no incentive to control their trading costs. This generally is the case when hedgers trade out of their positions at the same prices that determine the final cash settlement price. The resulting price uncertainty reduces trading by risk-averse producers and thus produces deadweight losses.[63]

While analysts tend to disregard the wealth transfers and focus on macro efficiencies, the transfers matter a great deal to residential consumers. Similarly, if the agents of residential consumers, local distribution utilities, are the risk-averse players in the market, consumers will bear the burden of their loss as well.

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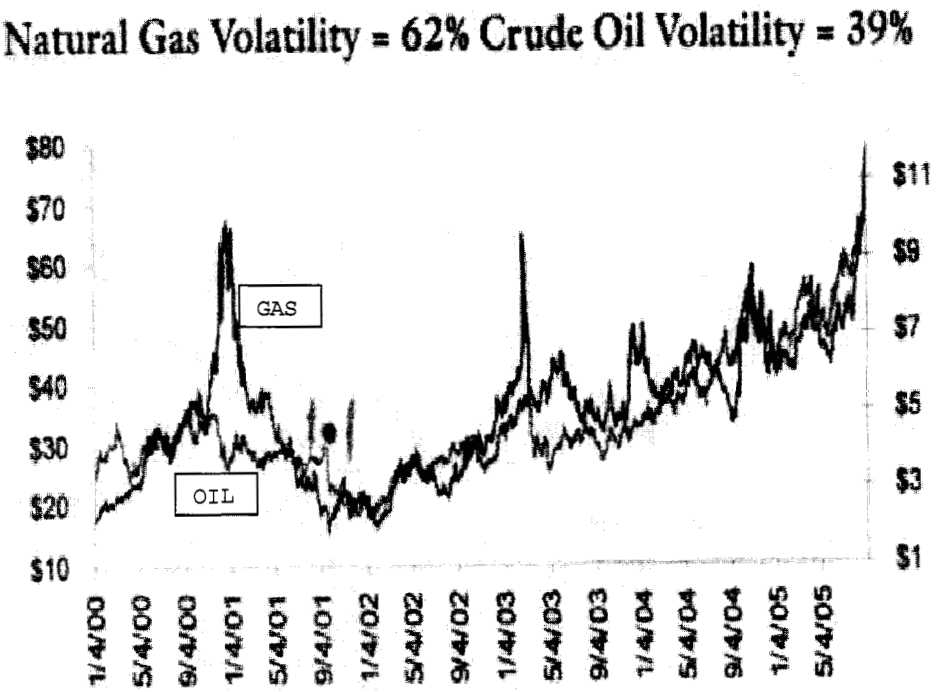
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[37] Jerry W. Markham, "Manipulation of Commodity Futures Prices – Unprosecutable Crime," *Yale Journal on Regulation,* 8:1991, p. 283.
[38] Pirrong, p. 6.
[39] Markham, p. 284, "A squeeze is a lesser form of a corner. Here the manipulating trader does not own the entire supply or a commodity, but he does control enough to create a shortage and thereby "squeeze" prices up. Such a squeeze may be intentionally created or it may result from a natural shortage that traders seek to exploit. The latter event is frequently referred to as 'congestions.'"
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IV. UNCERTAINTIES ABOUT THE FUNCTIONING OF NATURAL GAS MARKETS

A. Volatility, Risk Premiums and Efficiency

The potential impact of volatility and risk on prices is a major concern in energy commodity markets. Volatility and risk premiums are substantial and have been increasing over time.[1] In an analysis whose data ends in 2002, Pyndyck concludes that the Enron scandal added a "marginally significant" 1.5 percent to an average volatility of 20 percent. He concludes that the increase "has little economic importance."[2] The peak volatility for the July 2000 to July 2002 period in Pyndyck's analysis occurred on September 26, 2001, at the height of the Enron troubles. Be that as it may, the change since has been dramatic (see Exhibit IV-1). After the quiet period of 2002, volatility increased in 2003 and both prices and volatility have increased since. The economic significance is much greater.

EXHIBIT IV-1: NATURAL GAS PRICE VOLATILITY: SINCE THE TURN OF THE CENTURY

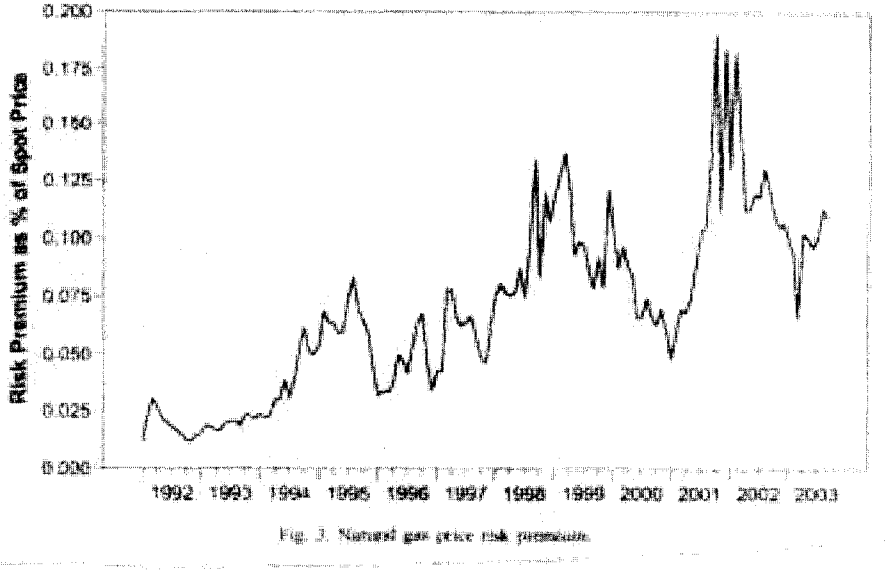


Source: Servnek, Matthew, "What You Need to Know Before Investing in Energy," *The*

The risk premium analysis parallels the price analysis described earlier in that the advent of Enron trading saw a sharp jump over a long-term upward trend, then a reduction with the demise of Enron (see Exhibit IV-2).[3] Unfortunately, the analysis did not include data for 2004 and 2005.

> The estimated risk premium seems to be positive throughout the sample period and the average value of the risk premium appears to be economically significant, ranging from 3% to 11% of spot prices. The hypothesis of zero mean risk can be rejected at high significance levels for all the sample periods. The risk premium appears to be increasing over time especially towards the end of the period [2000-2003].[4]
>
> Bias could be interpreted as the risk premium required by the market participants for bearing the systematic risk of natural gas price movements.[5]
>
> This bias reaches about 10% per year. A speculator would earn this rate of return on average going long in the natural-gas futures. Such speculation would of course be quite risky judging from the size of the error variances.[6]

EXHIBIT IV-2: THE NATURAL GAS MARKET RISK PREMIUM



Source: Song Zan, Chiou Wei, and Zhen Zhu, "Commodity Convenience Yield and Risk Premium Determination: The Case of the U.S. Natural Gas Market," *Energy Economics,* forthcoming.

The finding of a "bias" in the natural gas market can be related to structural factors that work to the detriment of consumers since, "for regulatory reasons the buyers that are comprised of power producers as well as electricity and natural gas distribution companies may not have enough incentives to hedge their risk."[7] Friction in the market may also affect the pattern of prices since "due to locational basis risk, the buyer's incentives to hedge price risk may be dulled."

> Market participants with rational expectations predict the direction of spot prices most of the time, but require a risk premium to take a position. For example, a buyer might correctly expect the spot price to decrease at Henry Hub. However, due to uncertainty about transportation conditions the buyer might still require a risk premium in buying futures. Similarly, the fact that a producer expects prices to go up does not mean that s/he would be willing to sell futures at the expected future spot price.[8]

In theory, spot commodity prices should track futures prices reasonably closely in properly functioning markets, particularly as the date for the settlement of the future contract approaches.[9] Futures prices should reflect market fundamentals, above all the cost of producing the commodity, since high futures prices should elicit more supply that drives prices down.

In practice, recent U.S. government reports demonstrate that this is not the case in the natural gas market. Natural gas prices simply do not track with futures prices properly and the disconnect has been growing. The disconnect tracks on the high side – to the expense of consumers and the benefit of producers and traders – and it has been widening.

A report from the U. S. Energy Information Administration (EIA) concluded that "prices of natural gas futures contracts expiring during the past three heating seasons (2002-2003, 2003-2004, 2004-2005) generally did not perform well as a predictor of realized spot prices at the Henry Hub."[10]

While spot prices are a poor predictor of futures prices, the Henry Hub spot prices are a very good predictor of the wellhead price of gas. Thus, there is a disconnect between futures prices and wellhead prices. The disconnect is important because of the role these futures prices play.

> However, as an indication of market expectations concerning prices in the future, some industry and market participants tend to use the prices for futures contracts as predictions of commodity prices that will be realized in subsequent months, although NYMEX itself does not explicitly encourage this view...
>
> Comparing monthly futures and spot market prices allows an examination of current market conditions on price expectations and provides a basis to assess the performance of futures prices as a predictor of spot prices.

> The price movement patterns for the 2004-2005 heating season contracts differ from those for the 2002-03 and 2003-04 heating season contracts, as the futures diverged from the Henry Hub spot price. This is further evidenced by the lower correlation coefficients...[11]

> Industry analysts have also come to question the role of the Henry Hub price.

> Cambridge Energy Research Associates, in a report issued to clients Sept. 23, said Henry Hub, despite its key role in the delivery point for the NYMEX gas futures contract and the reference point for basis deals and various other physical and financial trades, "is increasingly an imperfect indicator of the average price that North American producers receive...

> CERA found that the average price at Henry Hub is increasingly higher than the price received by North American gas producers. In 2000, the Henry Hub price average 18 cents/MMBtu above the production-weighted average supply price; for the 12 months ending August, that premium had grown to 50 cents/ MMBtu, according to the report.[12].

Similarly, a report from Lawrence Berkeley National Laboratory (LBL) concludes that futures prices are far above projections of the cost of production.[13]

> As was the case in the past five *AEO (Annual Energy Outlooks),* we once again find that the *AEO 2006* reference case gas price forecast falls well below where NYMEX natural gas futures contracts were trading at the time the EIA finalized its gas price forecast."[14]

It is important to note that when LBL began analyzing the disconnect between the EIA numbers and the NYMEX numbers, the EIA "characterized their efforts as *projecting* natural gas *costs* rather than *forecasting* natural gas prices."[15] Future prices do not have to perfectly track production costs, but when the disconnect becomes large there is cause for concern. The EIA projection for December 2005 showed a very substantial disconnect.

> In fact, the NYMEX-*AOE 2006* reference case comparison yields by far the largest premium — $2.3/MMBtu levelized over five years – that we have seen over the last six years. In other words, on average, one would have to pay $2.3/ MMBtu *more* than the *AEO 2006* reference case natural gas price forecast in order to lock in natural gas prices over the coming five years.[16]

The premium is a huge number, equal to more than one third of the estimated cost of production. It amounts to almost $48 billion on an annualized basis, or about $4 billion per month. For a household heating with natural gas in the Midwest, it would add about $200 dollars to this winter's heating bill. Moreover, this figure is levelized over five years. The current and near term disparity is even larger than that, perhaps over $5.00/MMBtu. As pointed out earlier, it accounts for a large part of the increase in natural gas prices since 2002.

These figures alone are enough to command the attention of policymakers and the public. But the fact that the disconnect between costs and prices is not an anomaly makes it even more troubling.

Most commodity market analysts are unwilling to question the workings of these markets, except in the most extreme examples of market manipulation – blatant attempts to corner the market or fraudulent reporting of prices. Thus, after the EIA concludes its empirical analysis that finds the market is not doing what it should, it restates the common faith in the marketplace:

> However, trading in futures contracts provides benefits to market participants by providing some degree of price certainty, market transparency, and liquidity. In addition, trading in futures contracts is an important tool in an array of options for gas managers to consider in establishing their supply transaction portfolios. The availability of futures markets allows each gas manager to optimize his portfolio relative to his situation. As such, trading in futures contracts is expected to remain an important tool for managing price risk.[17]

Repeating the dogma, without further analysis, begs the question of whether the failure of markets to send sensible signals about prices undermines or diminishes their usefulness.

The LBL analysis takes the next step, because the authors are less concerned about whether the market price is "right" and more concerned about what market players do with the various predictions of price. Their concern was focused on the fact that electricity generators and public utility commissions were using the projected natural gas costs as a basis for making decisions about what types of generation to install. To the extent that the estimates of natural gas costs were no longer reliable predictors of natural gas prices (on the low side), gas generation facilities were being systematically and incorrectly favored at the expense of other sources of power. In this regard, the fact that there was a gap between mid and long-term projections of natural gas costs and market prices is itself important. Even if the gap could be "justified" on some systematic economic basis, it still argued for consumers (and their agents) to look at it differently in making their choices.

This review of the explanations suggests we really do not know a great deal about how natural gas markets work. It is a truism of commodity markets that the positions have to add up. For every buyer there has to be a seller and for every molecule that someone is committed to buy, someone has to be committed to sell. While this simple truism is frequently offered to support the claim that the market price is right and to allay fears that something is wrong, it actually explains nothing. The questions are who holds which positions, and with what systematic, strategic, tactical or nefarious tactics will they influence price?

Some of the explanations suggest that this is just "how the market works," but that does not mean it is working very well from the consumer point of view, nor does it mean the situation is helpless. If these are systematic factors that tilt the playing field against consumers, policymakers can take steps to restore the balance.

Some of the explanations involve claims that the market is not working, because it is subject to strategic behavior, tactical exploitation and manipulation that drive prices up. Here, there is little doubt that we need public policy to set things straight.

The claim that markets are beneficial because they create liquidity is not an absolute statement. It must rest on empirical facts and conditions, several of which are important for natural gas consumers.

First, if the commodity and the institutional structures under which consumers (or their agents) buy gas in the market systematically place them at a disadvantage, the market will not work well for them. Their costs will rise, not because of the costs of the underlying commodity, but because of the workings of a hostile market. Second, the market may be vulnerable to manipulation. Third, the commodity market does not necessarily contribute to solutions to underlying physical problems.

> If, in aggregate, natural gas producers are less concerned about hedging than are natural gas consumers, then there will be *negative net hedging pressure* – i.e. more hedgers seeking to buy futures contracts than there are seeking to sell them – and speculators will require compensation in the form of futures prices that are *above* expected spot prices.[18]

In terms of the quantity of gas traded, the finding was unclear. "Though largely positive over this period, net hedging pressure clearly swings around quite a bit, and is negative at times."[19] The finding in terms of the number of traders was quite different, which may compound the problem faced by consumers of natural gas.

> In terms of the number of traders, net hedging pressures have been primarily *negative* over this period. This dynamic – largely positive net hedging pressure in terms of open interest combined with largely negative net hedging pressures in terms of the number of traders – suggests the presence of a few large natural gas producers, and a greater number of smaller (in aggregate) natural gas consumers, hedging their respective positions. It is not clear whether this implied market composition has any bearing on the premiums observed in ... this paper, an interesting question might be to examine either information asymmetry [or] transaction cost theory...
>
> What if producers benefited from volatility, while consumers were hurt by it? In this case, producers would require compensation (i.e. a premium) for being locked into long-term fixed contracts and consumers would be willing to pay such compensation. Economic theory provides some support for this very scenario...
>
> If gas prices, and therefore consumer expenditures on gas, rise as the stock market declines (e.g. because rising gas prices hurt the economy), then natural

gas is said to have a negative "beta" and is risky to gas consumers and beneficial to gas producers....

In this specific case, where gas with a negative beta is risky to consumers and beneficial to producers, consumers have an incentive to hedge natural gas price risk, while producers do not. Intuitively, it follows that even if both consumers and producers share identical expectations of future spot gas prices, then producers would still require – and consumers would be willing to pay – a premium over expected spot prices in order to lock in those prices today.[20]

Each of these configurations cuts against the risk averse residential ratepayer. Moreover, the advantage of the large producers has been noted by market analysts. The large producers have greater flexibility to hold out for higher prices and take advantage of the direction of prices.

"[T]he E&P firms he covers are approximately 24% hedged for 2006 and only 10% hedged for 2007. Those levels are "pretty light" compared with several years ago when most were between 40% and 50% hedged.

"Obviously, we have concern about gas prices in the near term given the weather. It doesn't surprise us that companies are locking in additional hedges," Tameron [of Jeffries & Co.] said. Even so, most companies "are still making a lot of money at $8/MMBtu and $9/MMBtu."[21]

The academic studies that suggest risk premiums and inefficient price discovery in these markets will strike a resonant chord with many market participants. Large users feel that this financial activity drives up prices and harms consumers.

Ted Henry, chairman and CEO of Selma, Ala.-based Henry Brick, said his company's cost of gas last year "was 245% above the average of the 1990s."

The volatility in the gas futures market makes it hard for industrial end-users to make bottom line decisions. "The traders need volatility. But it makes it difficult for us trying to use gas to produce a product." [22]

"Government data released today (June 2)," Mr. Huntsman's statement said, show a record amount of natural gas in inventory for this time of year, and demand for gas remains flat. Yet in the last two trading sessions the price of gas on the NYMEX shot up more than 65 cents and closed up 44 cents. "On an annualized basis, that cost the U.S. economy between $10 billion and $15 billion." Why? Because, according to one analyst, "fund buying jumped in... and sent prices racing..." [23]

B. Fundamentals Versus Technical Trading

A tangent of this debate is the difference of opinions between market analysts over the role of fundamentals versus technical trading. Choukas-Bradley and Donnelly argue that technical trading dominates and drives prices higher.

> Trading of the natural gas contract on the NYMEX continues to be dominated by technical trading, with the result that in a period of stability in market fundamentals, the market will tend to see prices remain at high levels if they start at high levels, just as they would remain at moderate levels if they started at moderate levels. That is, part of what is propping up current prices is . . . current prices. While domestic producers have an incentive to hedge physical gas price exposure at prices equal to or above their full-cycle replacement cost (which includes their then-current competitive threshold return on invested capital), producers generally do not hedge a large portion of their production on a long-term basis, seeking, rather, to capture the upside of higher future prices. Speculative traders dealing with financial gas price exposure have the incentive to support price volatility and volume liquidity. Higher volatility has led to higher prices and a volatility penalty for gas-fired generation of electricity when compared to coal-fired generation (±0.65 $/MMBtu in 2004 dollars).

Other analysts go so far as to say that "an in-depth knowledge of fundamentals can be detrimental."[24]

> While not discounting technical charts entirely, Fusaro said traders will have to be attuned to market fundamentals, such as weather and storage levels, to be successful in the new market.
>
> But Tom Saal, of Miami-based Commercial Brokerage, countered that the funds' mere presence in the gas market is proof that chart-following does work because many of them rely exclusively on technicals...
>
> In fact, since hedge funds have gained such a large presence in the futures market, Saal said it is even more important for gas traders to chart market behavior. While acknowledging that fundamentals were pushed aside over the past year in favor of technicals, he said it's the fundamentals that created the recent wave of volatility.
>
> He said while technical charting didn't predict Katrina and the resulting surge in gas futures prices, neither did anyone or anything else." Markets work of fear and greed,@ he argued. "And fear after Katrina that there would be problems this winter with the amount of gas shut-in – it's that fear and greed that created this huge price move."

Cooper said he is skeptical that traders need more than technical charts to be effective I today's energy markets. "I would have said that, but the way the market has been behaving, I'm not sure. An in-depth knowledge of fundamentals could be detrimental.[25]

While the analysts debate the relative important of fundamental versus technicals, the traders scratch their heads at the behaviors they observe. They see little relationship between the movement of prices and either fundamentals or technicals.

Meanwhile, spot prices across the Northwest emerged mixed as mild weather across the region reduced power generation loads. Traders in the Rockies reported a quiet morning and appeared puzzled about why cash didn't fall farther. "There is no demand in the [Midcontinent], and utilities are turning gas away along the West Coast – I don=t know who is buying, one Rockies trader said.[26]

In the Northeast, prices fell as much as $1.30 from Wednesday=s midpoints "as loads continue to diminish," a trader in eastern Canada said. "Many traders are starting the [holiday] as well. They just came in, squared up and got out."

While further price erosion could occur today, the trader cautioned that the market might "offer a surprise" and rally. "You could see some short traders buy the market back up since there=s a long weekend coming up and the contrast is closing early."[27]

In the upper Midwest, "trading was all over the place with most points moving with the NYMEX strength early and never giving way," a regional trader said...

Some traders oversold early and had to buy gas back later in the session, which cause most Midcontinent points to strengthen late, a trader reported...

"You have to take a position early, either short or long, without really having to deliver anything," he said. "If you go long early you=ll eventually have to buy back to get back in balance, to get to zeros. They were day-trading the thing."[28]

Some traders attributed the rally to new National Weather Service forecasts calling for below-normal temperatures across much of the country during the second week of February. But others disagreed, citing bullish technical indicators as the primary market driver.

"We don't have any cold weather in the near term and, we're not going to run through our massive storage inventories," an analyst said. Awe've just got a lot of shorts in the market looking to ring in at the cash register."[29]

C. Hype Versus Reality

While some claim that the technical sides of the market should balance out, we have seen that there are forces that may favor upward pressures. Choukas-Bradley and Donelly identify another force – hype.

> Most of the news in the mainstream media will be bullish, all else being equal. This is because bad news makes news, whether it is characterized as corporate profiteering or consumer hardship, and good news for consumers is not interesting enough to be reported. From the consuming public's point of view, bullish price news is bad news. Probably nine out of ten stories in the mass media, all else being equal, will emphasize adverse consequences for average people (e.g., "the coming crisis in natural gas prices"). By contrast, in the producer community such "bad news" is good news, of course. That is, bullish news concerning higher natural gas prices or greater consumer demand is welcome news. This underscores the paradox of the media marketplace in the natural gas industry. The trade press is dominated by the interests of producers, with a bias in favor of higher prices that can support development of incremental supply for growth in consumer demand. The trade press reports and responds to the pronouncements and projections of stock analysts who cover the industry. These individuals write reports about the companies they follow, and they implicitly consider the interest of their industry to reside in higher prices. On the other hand, the mass media pick up pronouncements of high prices as news not because they see it as good news, but for precisely the opposite reason. It is bad news for consumers, and is therefore something worth reporting. Neither the producer-oriented media nor the consumer-oriented media are served institutionally by bearish natural gas price news. Accordingly, bearish news or trends must fight for a place at the media "table," or will not get a seat. Bullish news, on the other hand, will always be given a seat.[30]

Large industrial users reiterate this feeling.

> "The only ones who prosper are finance markets and traders that do not produce, transport, or consume natural gas." [Huntsman] alleged that one of the country's largest financial institutions (which he declined to identify) had touted as "good news" new forecasts of a worse-than-normal hurricane season and the possibility of decreasing gas imports, would be excuses to force up prices. "It makes absolutely no sense."[31]

Traders give these types of explanations when prices seem to be higher than seems justified by either fundamentals or technical factors. "They tried to hype the snow a bit at first, but realistically it's not going to have a very big impact on overall storage draws."[32]

In the Northeast, spot prices gained between 15 cents and 60 cents due to a mixture of "fear, trepidation and greed – but not fundamentals," according to one eastern Canadian trader.[33]

AYou got a little upward momentum from the tropical storm activity, but it=s probably not causing this much by itself,@ said a Houston-based broker. AThere=s been some short-covering initially that people are concerned about the storm and oft-times that triggers a lot of fund buying, particularly in this price range.

In the cash market, traders also turned their attention to Wilma, which added to an already bullish sentiment. "It's still a non-event, and the models I've seen show it staying away from rigs in the Gulf," a trader said. "Traders will still talk their position, though, and that's why we're seeing some price movement."[34]

D. Other Sources of Inefficiency

This analysis has focused on the physical and financial markets. The inflexibility of transportation and storage play a key role in creating a vulnerable commodity. There are additional factors at play between the wellhead and the burner tip that undermine the ability of the system to operate efficiently. These deserve consideration as well.

1. Utilities

Institutional factors can play a role as well, by biasing behavior.[35] In natural gas markets, the problem is important because many utilities, who are the purchasing agents for residential ratepayers, do not have a strong incentive to keep costs down, since they are passed through in a monopoly situation. Fearing that regulators might disallow expenses if they play the market, they reduce their own risk by simply tying the cost of acquiring gas to published indexes. Many of the indices are based on voluntary, unaudited reports of traders. Ironically, those reports are based on prices set in transactions in which the utilities themselves never engage.

State regulators have been hesitant to encourage risk-taking behavior by utilities because overseeing such activity is not their expertise and ultimately (residential) consumers are risk averse. Early in the development of natural gas markets, short-term purchases looked better. Now, longer terms would be more prudent, but they are simply not available. Although facilities last for decades and demand is growing slowly, at most, NYMEX's six-year futures contracts are sparsely traded. Out past a year, markets are thin. Even mid-term contracts are costly and risky, if they can be had at all.

Buyers of natural gas are regulated distribution companies and electric power generators. They are either prohibited from entering natural gas futures

contracts by their state regulatory commissions or otherwise have dulled incentives to do so. One reason for this conjecture is that they can pass their gas procurement costs to their retail customers through prudence reviews. The second reason is that these regulated companies do not want to be subject to second-guessing by stakeholders. The seasonal pattern of consumption could also be another reason for the observed results.[36]

Theoretically, if a utility buys everything on a spot market, that's sensible from a utilities point of view. They want to avoid the regulatory risk... But it's probably not sensible for their consumers [to bear] all the risk of price volatility for gas and power."[37]

There is a general consensus that utilities are not in the markets as hedgers, although a small number are. Moreover, there is a belief that hedging has declined, as volatility and large financial players have moved into the market.

"Most utilities have stopped hedging and instead rely on the fuel-adjustment clause that allows them to pass on to consumers... Many utilities exited trading, Duke being the last one. The point is they are not really in the game except for Constellation, Sempra, Dominion and a few others. That more customers are exposed to price risk because they are passing on the higher costs to customers."[38]

Cooper said many utilities probably have stopped hedging in such a risky environment because they have to eat their losses if they miscalculate. "Utilities are not in the business of predicting prices," he said. "They don't care what the price it. They pass it on to customers."[39]

While the institutional context in which utilities function certainly restricts their inclination to play in the financial market, as volatility and prices mount, it becomes more burdensome for all users. The cost of hedging becomes higher and higher.

But with gas above $10/mmBtu and futures market direction unpredictable, even hedging and other risk management tools are becoming more and more expensive – raising the question of whether the benefit is worth the cost...

For example, Invista uses financial derivatives, collars and similar tools to hedge against current market conditions. But gas at $10/mmbut or higher and unprecedented volatility "makes all of these actions a little more costly," Poole noted. "It raises the question: is the elimination of price volatility worth the cost?"

And while Invista has the money and in-house expertise to handle risk management activities internally rather than farming them out to marketers or

energy service companies, "unfortunately, for smaller-volume companies that may not be a feasible option."[40]

Tying prices to indices is the ultimate short-term strategy. This institutional view raises concerns because the capital-intensive infrastructure of the industry has historically been financed by long term contracts. The deregulation and unbundling of the industry inevitably shortened the time horizon of the participant. Flexibility and choice loosens commitments and makes "bypass" possible. Pipelines cannot count on shippers as much as in the past. Utilities cannot count on load as much as in the past. Merchants demand faster recovery of costs.

> In fact, a major impetus for restructuring of the natural gas industry was the high social cost associated with rigid long-term contractual arrangements...
>
> With the natural-gas sector restructuring... trading arrangements have become much more short term and flexible in both price and in terms and conditions. We have observed this phenomenon throughout the natural-gas sector, from gas procurement, gas storage, and retail transactions, to capacity contracting for pipeline services.[41]

Long term commitments to transportation and storage facilities, exposes the contracting parties to greater risk in this environment, especially where long term commitments to supply cannot be secured. The mismatch between the incentive structure and the necessary time horizon results in missed opportunities. For example,

> *Jack Flautt,* Managing Director of March & McLean, suggested there is an anomaly in the storage investment area. It is strange, in his view, that investors are not trampling one another to participate in the storage development market. "The value of storage today is greater than at any time in my lifetime," but Flautt reported he gets only blank stares from bankers at the suggestion.[42]

The hesitance of public utility commissions to push utilities to jump back in to long-term commitments is understandable and the task of realigning risks is challenging.[43]

2. Gathering System Market Power

First, with the deregulation of the national markets, oversight over the gathering systems was passed to the states. There is an ongoing dispute over the abuse of market power in these markets. A recent proceeding in Texas provides insight into this issue.

The key issue is the large price wedge that gathering systems can drive between the wellhead price and the Henry Hub price.

> Producers claim that a lack of pipeline competition has hurt their industry, particularly the smaller operators that frequently have access to only a single

intrastate system and must therefore accept whatever transportation rates the pipeline charges...

"One-sided negotiations over time has become more and more onerous toward producers, and the overwhelming market power of the monopolistic pipelines has reduced the wellhead value of natural gas by over 50% in many cases," said Mills, whose association presents mostly small independent operators. "When Houston ship channel is [$6/MMBtu], the guy out there taking the risk drilling wells and completing wells in a lot of cases is going to get less than $3."[44]

The size of the producers plays a key role. While large players may have sufficient bargaining power to blunt the market power of the pipelines, small players do not.

Producers large and small asserted that they have been subjected to abusive market practices due to a lack of pipeline competition, while end-users complained of poor gas quality...

David Blakmon, manager of corporate affairs for Houston-based Burlington Resources, said independent producers –which drill 85% of new wells in the state [Texas] – often are forced to enter into that contracts that contain take-it-or-leave-it provision... "Burlington is a big enough company that we make sure we have a market position that allows us to negotiate favorable agreements."

Don Holley, president of Brenham, Texas-based Holley Oil, represented small operators at the workshop. "Three times in the last 18 months I've been presented with a 'take it or shut in your well contract,'" he complained. "We should not be placed in the position of having to take-or-leave contracts."

A new contract negotiated in January increased the transportation cost of his production by 200% per MCF, Holley said, widening the difference between his production at the wellhead and the Henry Hub index price to $4/Mcf.[45]

Beyond the issue of price, the producers face the problem of being unable to find information on rates, terms and conditions.

The procedure does not provide "the information that the producer needs to access to make a decision" about the actual cost of the gas transportation service the pipeline provides. For example, a producer does not know what rates the pipeline is charging a competitor for the same service.

"They don't know what the actual terms of the cost of service are as a whole... The transparency of information is not existent. We don't know it. They do. It gives them a huge leg up in terms of negotiating the price.[46]

> The intrastate pipelines have attempted "to keep as much information secret and out of producers hands as much as possible." Mills charged. He said the pipelines often use index prices, which are not transparent to smaller producers, as benchmarks for their shipping contracts.
>
> In addition, he said, "the tariffs that the pipelines have to post are all in code. It's virtually impossible to find the price from Point A to point B of a tariff."[47]

E. What it Takes to Move Markets

The discussion of the financial commodity markets has identified the key moments and issues and actors in the physical market. The major petroleum companies have been identified as big players in the financial commodity markets. They have been dinged for trading that breaks the rules in these markets. They are also the dominant firms in the physical market. Thus, they are in unique a position to move the market as traders and speculators in the short term and producers in the long term.

The previous sections provide an account of the history of trading in natural gas. Prior to the Commodity Futures Modernization Act, manipulation of cash settlements was a more theoretical concern because the indices were broad and the positions needed to move them were huge. The CFMA allows narrow indices, which raises concern because the necessary conditions for moving the price are smaller. Other factors that can narrow the necessary position compound the problem. Friction in the physical markets, and illiquidity in the financial markets, makes it easier to move markets.

Factors that facilitate the ability to move the market with smaller positions may play a part as well and are in evidence in the natural gas market. For example, the fact that entities bring huge sums to bear with very sophisticated tools enhances their ability to move the market. Above all, the tightness in a market with very low elasticities magnifies the ability of small changes in supply to move price.

The fact that we have seen actual examples of this price manipulation repeatedly, across all energy commodities, should make it clear that prices can be moved. But the recent reaction to the hurricanes underscores how little it takes.

The loss of production from the hurricanes was quite small. The actual physical loss of production was probably never much greater than 5 percent of national supply at its height, but a substantial part of that loss was offset by demand destruction in the Gulf Coast region. The shortfall in gas for the market was probably in the range of 3 to 5 percent and some estimates of year-over-year comparisons show only a 2 percent reduction. Most analysts agree that even that was partially offset by mild weather and fuel switching.

Even at a 3-5 percent shortfall, the price reaction was extreme. With spot prices supporting a sustained rise of 75 percent, the elasticity would appear to be in the vicinity of

.05. With wellhead prices registering an increase of 50%, that suggests an elasticity of less than 0.1. Stated in traditional terms, a one percent reduction in supply yields a 15 to 20 percent increase in price.

For the obvious reason that the over-the-counter market is unregulated, we do not know how large the positions of the hedge funds are. We would especially like to have this information for key moments, such as during the settlement period. We do have information on the size of the marketers. These would be the entities on the selling side of the market when molecules actually change hands.

BP, the largest marketer prior to Katrina, had a market share of over 20 percent. The next three firms have market shares of about ten percent. Another six firms have market shares in the 3 to 5 percent range. Among these ten firms are four major oil companies and two major utilities. Given the extremely low elasticities of supply and demand and the extremely reactions of the market to relatively small changes in the supply demand balance, careful consideration of the market shares necessary to exercise market power may be in order for the natural gas market.[48]

When entities have ownership of the resources and take large positions in the physical, cash and futures markets, they gain leverage. Purely financial players face a key constraint in long manipulation – the problem of disposing of the excess supply. If you are a trader, who has accumulated a large long position, in time or space, you must dispose of those positions at some point, without driving down prices and erasing your gains.

> Transport costs make it optimal to retain some of the additional units delivered... rather than return them to the market of origin. These additional supplies depress the price. Market slang refers to this as the problem of *burying the body* or *disposing of the corpse*... Intuitively, the manipulator exploits his market power by restricting the number of liquidations in order to elevate the liquidation price. Nonetheless, in order to profit he must liquidate some contracts. If he were to take delivery on his entire position, he would suffer a loss due to the bury-the-body effect. As a result, he takes delivery on only a part of it.[49]

If you are the physical owner of a commodity like natural gas, you do not have to bury the body, you can just leave it in the ground. You do not have to make purchases that later have to be buried. Large producers, flush with cash and not facing competitive market discipline, hold out for an ever-escalating market price. Consumers, in need of physical supplies, pay an increasing premium.

F. Conclusion

The impact of an aberrant market is substantial, producing many of the characteristics that the natural gas market seems to exhibit.

Precontract-expiration prices vary idiosyncratically with trading volume... reduces market liquidity and depth and increases price volatility...

makes the cash-futures basis excessively variable, thereby reducing the hedge performance of a futures contract...

increase the costs and risks that informed traders incur and reduces the returns to discovering information about fundamental values...

induces these agents to trade less and collect less information...

As a result, the futures price is a less reliable measure of fundamental supply and demand.[50]

Defenders of the financial markets want to blame the whole problem on the physical markets and even claim that traders will help solve the problem by increasing liquidity and sending price signals. But the evidence suggests that the financial commodity market bears at least some of the blame for pushing prices up.

- We have a commodity that is vulnerable to abuse, in a new market that has been under-regulated from its birth.
- Public policy adopted in 2000 further reduced regulation and opened the door to counterproductive, if not outright manipulative, behaviors and pushed prices higher.
- We have a clear theory about how consumers could be hurt in this market.
- Both the structure of the market and the behaviors of market players are biased in favor of higher prices and against consumers.
- We have evidence at the micro levels of a pervasive pattern of past abuses and rumors about suspicious behavior in the current market.

The overall pattern of prices supports the proposition that they have run up beyond anything that is justified by the problems in the physical market. Exhibit I-2 above summarizes the cost v. price analysis presented in previous chapters. A huge wedge has been driven between the costs of production and the futures market prices. The stakes are immense, on the order of $300 billion dollars over the course of half a decade.

ENDNOTES

[1] Robert S. Pyndyck, "Volatility in Natural Gas and Oil Markets," *Journal of Energy and Development,* 30:2004, finds statistically significant increasing volatility in natural gas through mid-2002, but dismisses it as economically insignificant.
[2] Id., p. 3.
[3] The impact of Enron's collapse is complex, with a loss of efficiency (Donald Murray and Zhen Zhu, "EnronOnline and Informational Efficiency in the U.S. Natural Gas Market," *The Energy Journal,* 25: 2004; Pyndyck, "Volatility."
[4] Song Zan, Chiou Wei, and Zhen Zhu, "Commodity Convenience Yield and Risk Premium Determination: The Case of the U.S. Natural Gas Market," *Energy Economics,* forthcoming.
[5] Nahid Movassagh and Bagher Modjtahedi, "Bias and Backwardation in Natural Gas Futures Prices," *The Journal of Futures Markets,* 25: 2005, p. 306.
[6] Bagher Modjtahedi and Nahid Movassagh, "Natural Gas Futures: Bias, Predictive Performance and the Theory of Storage," *Energy Economics,* 27: 2005,p. 635.
[7] Modjtahedi and Movassagh, ""Bias," p. 635.
[8] Id. p. 635. W.K. Bucanon, P. Hodeges and J. Thied, "Which Way the Natural Gas Price: An Attempt to predict the Direction of Natural Gas Spot Price Movements Using Trader Positions," *Energy Economics,* 23: 2001, p. 285, find hedgers short and speculators long.
[9] Indeed, "because of their relatively short time to expiration (1< month in the case of natural gas), first-nearby future prices (sometimes referred to as "prompt-month" or "spot month" prices) are a close approximation of spot prices.
[10] *An Assessment of Prices of Natural Gas Futures Contracts as a Predictor of Realized Spot Prices at the Henry Hub,* p. 6.
[11] *An Assessment of Prices of Natural Gas Futures Contracts as a Predictor of Realized Spot Prices at the Henry Hub,* p. 6.
[12] Platts *Gas Daily,* September 30, 2005, p. 8
[13] Bolinger, Mark and Ryan Wiser, *Comparison of AE O2006* Natural Gas Price Forecast to NYMEX Futures Prices (Ernest Orlando Lawrence Berkeley Laboratory, December 19, 2005).
[14] Bolinger and Wiser, "Comparison," p. 1.
[15] Bolinger, Mark and Ryan Wiser, an William Golove, *Accounting for Fuel Price Risk: Using Forward Natural Gas Prices Instead of Gas Price Forecasts to Compare Renewable to Natural Gas-Fired* (Ernest Orlando Lawrence Berkeley National Laboratory, August 2003), p. vii.
[16] Bolinge and Wiser, "Comparison," p. 1.
[17] EIA, p. 6
[18] Bolinger, Wiser and Golove, "Accounting," p. 42.
[19] Bolinger, Wiser and Golove, "Accounting," p. 44.
[20] Bolinger, Wiser and Golove, "Accounting," pp. 44-45.
[21] Platts *Gas Daily,* February 13, p. 6.
[22] Platts *Gas Daily,* Feb. 7, 2006, p. 7.
[23] Foster Report, No. 2544, June 9, 2005, p. 21
[24] Platts *Gas Daily,* January 3, 2006, p. 4.
[25] Platts *Gas Daily,* January 3, 2006, p. 4.
[26] Platts *Gas Daily,* Sept. 13, 2005, p. 2.
[27] Platts *Gas Daily*, December 23, 2005, p. 2.
[28] Platts *Gas Daily,* Jan. 30, 2006, p. 2.
[29] Platts *Gas Daily,* Jan. 31, 2006, p. 2.
[30] Choukas-Bradley and Donnelly, pp. 2-3.
[31] Foster Report, No. 2544, June 9, 2005, p. 21
[32] Platts *Gas Daily,* Feb. 14, 2005,p. 2.
[33] Platts *Gas Daily,* Aug. 31, 2005, p.2.

[34] Platts *Gas Daily,* October 18, 2005.
[35] Pirrong uses pension and mutual funds as an example. "They are unable to trade certain types of instruments, which are lower cost ways of liquidating contracts. "The incur transaction costs to do so. Moreover, the funds tend to follow *buy and hold* strategies... in order to meet cash flow management objectives. This suggests that they incur high explicit or implicit costs to trade their portfolios."
[36] Movassagh and Modjtahedi, 2005, p. 306.
[37] Platts, *Gas Daily,* Jan 4, 2006, p. 4.
[38] Platts *Gas Daily,* January 3, 2006, p. 4
[39] Platts *Gas Daily,* January 3, 2006, p. 4.
[40] Platts, *Gas Daily,* September 12, 2005, p. 1Y 4.
[41] Costello, Ken, "Are Regulators in for the Long Haul?," *Public Utilities Fortnightly,* July, 2005, p. 48.
[42] *Foster Report No. 2576,* January 27, 2006, p. 16.
[43] Several recent studies point to a complex package of policies need to accomplish this (see for example, INGAA foundation, Inc., *Discussion of Effects of Long-Term Gas Commodity Contracts on the Development of North American Natural Gas Infrastructure,* prepared by Energy and Environment Analysis, Inc., 2005) and recognize that case-by-case decisions based on fact intensive analysis is needed, rather sweeping recommendations are inappropriate (see for example, NARUC/IOGCC Joint Task Force, *Policy Recommendations for Long-Term Contracting for Natural Gas Transportation, Storage Services and Liquified Natural Gas Deliver,* October 2005.
[44] Platts *Gas Daily,* November 28, 2005, p. 5.
[45] Platts *Gas Daily,* December 7, 2005, p. 4.
[46] Platts *Gas Daily,* November 29, 2005, p. 4.
[47] Platts *Gas Daily,* November 28, 2005, p. 5.
[48] This debate is taking place with respect to the oil industry (see Cooper, Mark, *Record Prices, Record Oil Company Profits: The Failure Of Antitrust Enforcement To Protect American Energy Consumers,* Antitrust Section, American Bar Association, April 1, 2005) and electricity ("Recognizing the Limits of Markets, Rediscovering Public Interest in Utilities," in Robert E. Willett (ed), Electric and Natural Gas Business: Understanding It! (2003 and Beyond) (Houston: Financial Communications: 2003), as well as natural gas ("Too Much Deregulation or Not Enough," *Natural Gas and Electricity*, June 2005; "Real Energy Crisis is $200 Billion Natural Gas Price Increase," Natural Gas and Electricity, August 2004).
[49] Pirrong, 33... 34
[50] Pirrong, p. 12

V. POLICY OPTIONS

In our view, the obvious implication of the foregoing analysis is that these markets should be subject to close observation and oversight. Unfortunately, they have been treated in the opposite manner, exempt from scrutiny. Instead of more oversight, they have been subject to less. Policymakers in Washington, who have primary responsibility for this interstate market, have failed to do much about the run up in prices. In fact, over the years they have done a number of things to make matters worse. In the face of the Enron-led trading scandals, their reaction seems to have been to rush to let more traders do more things in unregulated financial markets.

There has been a failure of public policy at every level to build a system that protects the public. The structure of the physical markets induces conduct that has created and is sustaining a tight market. The structure of the financial commodities markets induces conduct that magnifies upward pressures on prices. To say that there is more than enough blame to go around is an understatement. It may well be that the physical markets and financial markets are equally at fault and that institutional structures and conduct in each of the markets share the blame. If the physical market were not so tight, things would not be as bad as they are in the financial commodity markets, but that is not to say they would be good. If the financial markets worked better, prices would not spiral so forcefully, but there still would be upward pressures emanating from the physical market. Reforming one set of markets without addressing the other may leave consumers inadequately protected.

A. Recent Studies of Natural Gas Financial Markets

The Federal Energy Regulatory Commission[1] and the Commodity futures Trading Commission[2] have both issued reports in the past few weeks that conclude that there has been no market manipulation, while the Government Accountability Office is reserving judgment.[3] These studies have no laid the concerns to rest for a number of reasons.

Studies by the CFTC and the Government Accountability Office "can't assure the public that the over-the-counter market isn't being manipulated."[4] Even where the trading is regulated and regulators have taken a peak at what is going on, questions persist. "Studies by the New York Mercantile Exchange and the Commodity Futures Trading Commission have disputed the notion that hedge funds are having undue influence on pricing or volatility... [M]any traders scoffed at the studies, saying that they focused only on certain months, missing price run-ups."[5]

- The studies do not deal with a period in which there was a rapid run up in prices. It does appear that if you study the wrong months in the wrong markets, you will not learn very much.[6]

- The Commission does not have the data necessary to uncover many of the effects that are a concern.

- Blatant manipulation is not the only issue; the concern is a much broader range of behaviors and structural effects.

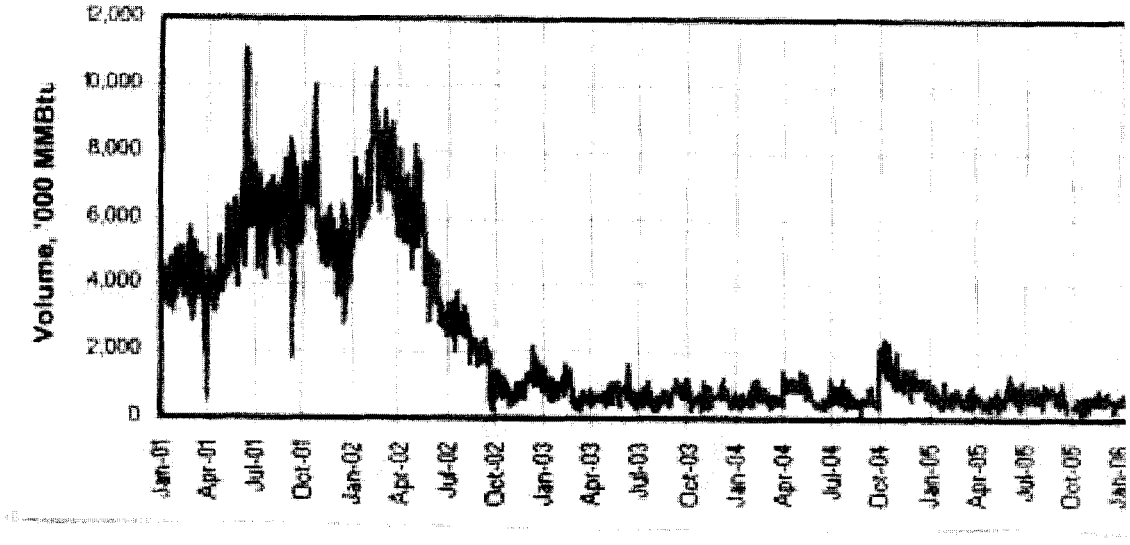
- The claim that the market is efficient is refuted by the detailed academic studies. The opinion about the efficiency of the natural gas market varies across time.[7]

- The assertion that the market provides liquidity and price discovery is in dispute. Out beyond a couple of months there is very little liquidity on the exchanges subject to CFTC jurisdiction.

Efforts to ensure the accuracy of prices in the over-the-counter market have been equally unsatisfying. The indices on which many contracts rely are privately compiled reports of transactions. This reporting was entirely voluntary and unaudited. Misreporting was uncovered and the Federal Energy Regulatory Commission considered reform. It chose to suggest a code of conduct. Reporting remains voluntary and unaudited. Those reporting must merely attest to the veracity of the reported transactions they choose to report.

When the spotlight was first turned on the construction of the survey, many firms ceased reporting their transactions. Now that the process has been reformed, the amount of reporting remains extremely low (see Exhibit V-1). The quantity of reported transactions are

EXHIBIT III-4: GAS DAILY HENRY HUB VOLUME



Source: Gas Daily.

an extremely small fraction of the total gas consumed in the country – one to two percent. While there are other indices and one need not assume that gas should be transacted in this cash market to be consumed, the fact that such a small quantity of gas plays such an important role in price setting is a concern. This is particularly the case where the reported transactions are self-selected. A recent study by the Government Accountability Office gave the reporting system a grade of C (70 percent), with a substantial minority continuing to express concern about the functioning of the reporting system.

B. Recent Changes in Natural Gas Financial Market Oversight

The FERC has also issued rules implementing the Energy Policy Act of 2005 that change its market monitoring procedures and implement new powers granted in the Act.[8] It has entered into a vague memorandum of understanding about sharing information.[9] The foregoing analysis demonstrates that a lot more than manipulation is at issue in the natural gas price spiral and suggests that much more needs to be done. Both the FERC and the CFTC are looking for a very narrow range of manipulative behaviors with a very narrow telescope. Unlike other physical commodities, a vast amount of trading of natural gas goes on in the over-the-counter markets that are hidden from the view and beyond the authority of these agencies. The indices that are based on this unregulated market activity have been unreliable and remain subject to doubt.

In the case of regulated activities the changes at the FERC replicate the weaknesses of the CFTC approach by adopting its definitions and case law. It may be illegal to contrive to manipulate markets and there are new fines if you are caught doing so, but the FERC is going to have great difficulty proving manipulation, when prices are "moved." It is precisely for this reason that the CFTC and the exchanges subject to its jurisdiction do more than rely on narrowly defined manipulation statutes to prevent abuse.

As noted above exchanges adopt additional measures to limit the ability to move prices – like position limits and price change limits. Unfortunately, for natural gas, these remain far too lax. FERC has no authority to implement effective trading limits and the CFTC has chosen not to do so.

Reform of natural gas trading has become a focal point of debate in legislation to reauthorize the Commodity Futures Trading Commission. The traders are resisting any new oversight or authority. A weak set of reforms was passed in the House, while the Senate continues to debate the issue. The foregoing analysis suggests that the original proposals introduced in the House are what it needed to protect the public from wildly gyrating natural gas prices.

In the financial markets, speculators have been quick to seize the opportunity to push prices up. The structure of the market gives them ample opportunity to do so. The financial markets compound the problem because they are structured in such a way that a large number

of small buyers who have weakened incentives and limited ability to resist price increases face a small number of large sellers who have a strong incentive and a much greater ability to hold out for higher prices. Holding out in the supply side may simply mean buying and holding assets in the ground or positions in the futures market and waiting for buyers who need the commodity to blink.

Most troubling is the fact that many of the impacts of many of the legislative and regulatory policies that have worked to the detriment of consumers were predictable and preventable, given the nature of the commodity and the type of market that Congress and the regulatory agencies in Washington created. After a half dozen years of turmoil in natural gas markets, we still have a lot more questions than answers.

Unlike bankers and brokers in organized markets, traders in the over-the-counter market do not have to register or demonstrate their competence or good character. They do not have to report their holdings or positions in markets. They can buy and sell this vital commodity with little capital or collateral to back up their promises. In organized exchanges, where traders do have to register, report and show financial and managerial competence, the rules are too lax. The holdings a large player can amass are huge. The period in which prices are set is short. Selected players have preferential access to important parts of the market.

Market rules should discourage unproductive trading and be particularly on guard at moments of vulnerability. This can be accomplished by establishing reasonable limits on positions and ensuring that settlement periods are liquid and long. Vigorous oversight and stiff punishment of manipulation should be meted out swiftly. These steps are so basic and obvious it is hard to understand why they have not been implemented, but they have not.

C. Oversight of the Unregulated Over-the-Counter Markets is Needed

Doing nothing is not an option. At a minimum the public deserves an intensive examination of every aspect of the natural gas market. Such an examination would suggest that more authority be vested in responsible institutions because the vast majority of natural gas transactions are beyond regulatory jurisdiction.

Such an examination should not be a one-time undertaking. The stakes are simply too high in the natural gas market. The instances of "wacky" behavior are too frequent to ignore—the market must be subject to scrutiny. Ongoing scrutiny would require that traders in all natural gas markets register and report. Traders should be competent, honest people. They should be required to register, like bankers do. They should have the resources to meet their commitments and stand behind their trades, as bankers are required to. Regulators should be able to see all markets so they can detect efforts to move any individual market, which means large transactions and positions should be reported.

If we go back to the ways the market can be gamed, legally and illegally, to the detriment of consumers, policy solutions immediately present themselves. Above all,

oversight should apply to all markets. The opaqueness created by the presence of completely unregulated traders should be eliminated.

The claim that the cost of registering and reporting would be unduly burdensome[10] fail to take account of the huge burden that natural gas prices have placed on consumers and the huge flow of profits that could be (1) used by the companies to comply and (2) provide a base for fees to fund the necessary studies. Indeed, what you end up doing, purposeful or otherwise, is misleading decision makers.

D. Basic Consumer Protections for Natural Gas Trading

Simply monitoring activities may not be sufficient to ensure that natural gas markets operate efficiently and equitably. The nature of the underlying commodity is such that it is especially vulnerable. Policies can be structured to avoid trading abuses. The objective is to diminish the ability to move the market at key moments.

Position limits make it difficult to control a sufficient quantity of the commodity to influence the price. Lengthening the settlement period, to which many contracts are indexed, ensures that more transactions will be included in setting the price that consumers pay. Preferential access to trading markets should not be allowed, as this gives an advantage to speculators.

Trading breaks are another approach to dampening volatility. These include limitations on the magnitude of price changes or shutting down trading during emergencies. It is remarkable that, on a percentage basis, natural gas prices are allowed larger swings than many other commodities that have much less troubling characteristics.

The repeated pattern of abuse in these markets makes it clear that past actions have been inadequate to eliminate anti-consumer behaviors. Clearer definitions of unacceptable behavior are needed with stiffer penalties for abuse. By subjecting all markets to oversight and registration, the ability of abusers to migrate from regulated to unregulated markets will be eliminated.

E. State Regulatory Issues

The role of state policy in these aspects of the industry is limited. State policy deals with the end-user markets, the local distribution utilities. It is difficult to change the system from the buying end, where the primary constraint is to make sure consumers have gas to heat their homes. States could force the above reforms by requiring their utilities to deal only with traders who are subject to oversight – who register, report and are audited.

States can also encourage utilities to be more aggressive in holding costs down, but the challenge is to find approaches that do so without exposing consumers to excessive risk.

F. Physical Market Issues

In the physical market, policymakers have allowed the supply side to become concentrated and vulnerable to the exercise of market power. Meanwhile, producers have been slow to invest in exploration and development, compounding the problem of tight supplies.

The Federal Energy Regulatory Commission exacerbated the problem by failing to ensure a transparent price reporting mechanism. It deregulated markets and granted market–based rate authority without requiring full and honest disclosure of information or effective competition on the ground. In retrospect, it appears that there have been repeated market "aberrations," but fraud and market manipulation are not the only concerns. The ability of strategic behavior to influence price because of structural weaknesses in market rules is a more general concern.

The position of the major oil companies with large holdings of natural gas physical assets, dominance of natural gas marketing, and active involvement in natural gas financial markets poses a serious threat to consumers. The inadequate investment in exploration over the course of a decade or more contributed to the tight supply conditions. The massive windfall of cash flow in recent years dulls the incentive for the majors to supply gas to the market. They can keep it in the ground and hold out for higher prices. They are under no pressure to sign long-term contracts, except at extremely high prices. As major marketers and traders, they can move markets.

The fact that the majors straddle these markets, several of which are lightly or unregulated, compounds the problem, since their ability to profit by taking contrary positions in various markets is hidden from regulators. Policymakers must have the information necessary to make informed judgments about whether the major oil companies are exercising market power, strategically in the long-term and unfairly exploiting the tight markets they have helped to create in the short term.

A joint task force of federal and state anti-trust and regulatory authorities should be formed to examine:

(1) the regional concentration of natural gas supplies because the nation is not a single market and national concentration ratios are misleading;

(2) the behavior of the majors as marketers;

(3) actions of the major oil companies across all of the markets in which they are involved B physical as marketers, over-the-counter and in exchanges as traders.

ENDNOTES

[1] FERC, The Basics.
[2] Haigh, Michael S., Jana Hranaiova and James Overdahl, "Price Dynamices, Price Discovery and Large Futures Trader Interactions in the Energy Complex," Commodity Futers Trading Commisison, April 28, 2005; see also New York Mercantile Exchange, *a Review of Recent Hedge Fund Participation in NYMEX Natural Gas and Crude Oil Futures Markets,* March 1. 2005.
[3] Platts. *Gas Daily,* February 14, 2006, ran the headline "GAO Hints at Post-Katrina Price Tampering." Reflecting the statement that "other factors – such as market manipulation – may have affected wholesale prices." The report (*Natural Gas: Factors Affecting Prices and Potential Impact on Consumers,* February 13, 2006) focuses on tight physical markets.
[4] Barrionuevo, "Energy Trading," p. 3-3.
[5] Barrioneuvo, "Energy Trading," p. 3-3.
[6] Uria, Rocio and Jeffrey Williams, *The "Supply-of-Storage" for Natural Gas in California.* University of California Energy Institute, September 2005.
[7] See Herbert, John H., "The Relation of Monthly Spot to Futures Prices of Natural Gas," *Energy,* 18: 1993; De Vany, Arthur and David W. Walls, "The Law of One Price in a Network: Arbitrage and Price Dynamics in Natural Gas City Gate Markets," *Journal of Regional Science,* 36: 1996.
[8] Federal Energy Regulatory Commission, Order No. 670, Prohibition of Energy Market Manipulation, Docket No. RM06-3-000, January 19, 2006.
[9] Memorandum of Understanding Between The Feeralenergy Regulatory Commission and the Commodity Futures Tradigin Commission Regarding Iformatoi Sharing and Treatment of Proprietary Trading and Other Information, October 12, 2005.
[10] *Address of Sharon Brown-Hruska,* UBS Global Oil and Gas Conference, June 3, 2004.

GLOSSARY

(Source: Commodity Futures Trading Commission and the Energy Information Administration)

Actuals: The physical or cash commodity, as distinguished from a futures contract. See Cash and Spot Commodity.

Allowances: The discounts (premiums) allowed for grades or locations of a commodity lower (higher) than the par (or basis) grade or location specified in the futures contract. See Differentials.

Approved Delivery Facility: Any bank, stockyard, mill, storehouse, plant, elevator, or other depository that is authorized by an exchange for the delivery of commodities tendered on futures contracts.

Arbitrage: A strategy involving the simultaneous purchase and sale of identical or equivalent commodity futures contracts or other instruments across two or more markets in order to benefit from a discrepancy in their price relationship. In a theoretical efficient market, there is a lack of opportunity for profitable arbitrage. See Spread.

Artificial Price: A futures price that has been affected by a manipulation and is thus higher or lower than it would have been if it reflected the forces of supply and demand.

Back Months: Futures delivery months other than the spot or front month (also called deferred months).

Backwardation:Market situation in which futures prices are progressively lower in the distant delivery months. For instance, if the gold quotation for January is $360.00 per ounce and that for June is $355.00 per ounce, the backwardation for five months against January is $5.00 per ounce. (Backwardation is the opposite of contango). See Inverted Market.

Barrel: A unit of volume equal to 42 U.S. gallons.

Basis:The difference between the spot or cash price of a commodity and the price of the nearest futures contract for the same or a related commodity. Basis is usually computed in relation to the futures contract next to expire and may reflect different time periods, product forms, grades , or locations.

Basis Grade: The grade of a commodity used as the standard or par grade of a futures contract.

Basis Point: The measurement of a change in the yield of a debt security. One basis point equals 1/100 of one percent.

Basis Quote: Offer or sale of a cash commodity in terms of the difference above or below a futures price (e.g., 10 cents over December corn).

Basis Risk: The risk associated with an unexpected widening or narrowing of basis between the time a hedge position is established and the time that it is lifted.

Basis Swap: A swap whose cash settlement price is calculated based on the basis between a futures contract and the spot price of the underlying commodity or a closely related commodity on a specified date.

bbl: The abbreviation for barrel(s).

bbl/d: The abbreviation for barrel(s) per day.

bbl/sd: The abbreviation for barrel(s) per stream day

bcf: The abbreviation for billion cubic feet.

Bear:One who expects a decline in prices. The opposite of a bull. A news item is considered bearish if it is expected to result in lower prices.

Bear Market: A market in which prices generally are declining over a period of months or years. Opposite of Bull Market.

Bear Market Rally: A temporary rise in prices during a bear market. See Correction.

Beta (Beta Coefficient): A measure of the variability of rate of return or value of a stock or portfolio compared to that of the overall market, typically used as a measure of riskiness.

Bid:An offer to buy a specific quantity of a commodity at a stated price.

Break:A rapid and sharp price decline.

Broad-Based Security Index: Any index of securities that does not meet the legal definition of Narrow-Based Security Index.

Broker:A person paid a fee or commission for executing buy or sell orders for a customer. In commodity futures trading, the term may refer to: (1) Floor Broker — a person who actually executes orders on the trading floor of an exchange; (2) Account Executive or Associated Person — the person who deals with customers in the offices of Futures Commission Merchants; or (3) the Futures Commission Merchant.

British thermal unit: The quantity of heat required to raise the temperature of 1 pound of liquid water by 1 degree Fahrenheit at the temperature at which water has its greatest density (approximately 39 degrees Fahrenheit).

Btu: The abbreviation for British thermal unit(s).

Btu conversion factors: Btu conversion factors for site energy are as follows:
Electricity ..... 3,412 Btu/kilowatthour
Natural Gas ..... 1,031 Btu/cubic foot
Fuel Oil No.1 ..... 135,000 Btu/gallon
Kerosene ..... 135,000 Btu/gallon
Fuel Oil No.2 ..... 138,690 Btu/gallon
LPG (Propane) ..... 91,330 Btu/gallon
Wood ..... 20 million Btu/cord

Btu per cubic foot: The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas that would occupy a volume of 1 cubic foot at a temperature of 60 degrees F if saturated with water vapor and under a pressure equivalent to that of 30 inches of mercury at 32 degrees F and under standard gravitational force (980.665 cm. per sec. squared) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state. (Sometimes called gross heating value or total heating value.)

Bucketing:Directly or indirectly taking the opposite side of a customer's order into a broker's own account or into an account in which a broker has an interest, without open and competitive execution of the order on an exchange. Also called "trading against."

Bucket Shop: A brokerage enterprise that "books" (i.e., takes the opposite side of) retail customer orders without actually having them executed on an exchange.

Bull:One who expects a rise in prices. The opposite of bear. A news item is considered bullish if it is expected to result in higher prices.

Bull Market: A market in which prices generally are rising over a period of months or years. Opposite of Bear Market.

Buyer:A market participant who takes a long futures position or buys an option. An option buyer is also called a taker, holder, or owner.

Buyer's Call: A purchase of a specified quantity of a specific grade of a commodity at a fixed number of points above or below a specified delivery month futures price with the buyer allowed a period of time to fix the price either by purchasing a futures contract for the account of the seller or telling the seller when he wishes to fix the price. See Seller's Call.

Buying Hedge (or Long Hedge): Hedging transaction in which futures contracts are bought to protect against possible increases in the cost of commodities. See Hedging.

Call: (1) An option contract giving the buyer the right but not the obligation to purchase a commodity or other asset or to enter into a long futures position; (2) a period at the opening and the close of some futures markets in which the price for each futures contract is established by auction; or (3) the requirement that a financial instrument be returned to the issuer prior to maturity, with principal and accrued interest paid off upon return. See Buyer's Call, Seller's Call.

Carrying Charges: Cost of storing a physical commodity or holding a financial instrument over a period of time. These charges include insurance, storage, and interest on the deposited funds, as well as other incidental costs. It is a carrying charge market when there are higher futures prices for each successive contract maturity. If the carrying charge is adequate to reimburse the holder, it is called a "full charge." See Negative Carry, Positive Carry, and Contango.

Cash Commodity: The physical or actual commodity as distinguished from the futures contract, sometimes called Spot Commodity or Actuals.

Cash Forward Sale: See Forward Contract.

Cash Market: The market for the cash commodity (as contrasted to a futures contract) taking the form of: (1) an organized, self-regulated central market (e.g., a commodity exchange); (2) a decentralized over-the-counter market; or (3) a local organization, such as a grain elevator or meat processor, which provides a market for a small region.

Cash Price: The price in the marketplace for actual cash or spot commodities to be delivered via customary market channels.

Cash Settlement: A method of settling certain futures or option contracts whereby the seller (or short) pays the buyer (or long) the cash value of the commodity traded according to a procedure specified in the contract. Also called Financial Settlement, especially in energy derivatives.

CEA: Commodity Exchange Act or Commodity Exchange Authority.

CFTC: See Commodity Futures Trading Commission.

Churning: Excessive trading of a discretionary account by a person with control over the account for the purpose of generating commissions while disregarding the interests of the customer.

Circuit Breakers: A system of coordinated trading halts and/or price limits on equity markets and equity derivative markets designed to provide a cooling-off period during large, intraday market declines. The first known use of the term circuit breaker in this context was in the Report of the Presidential Task Force on Market Mechanisms (January 1988), which recommended that circuit breakers be adopted following the market break of October 1987.

Citygate: A point or measuring station at which a distributing gas utility receives gas from a natural gas pipeline company or transmission system.

Clearing: The procedure through which the clearing organization becomes the buyer to each seller of a futures contract or other derivative, and the seller to each buyer for clearing members.

Close: The exchange-designated period at the end of the trading session during which all transactions are considered made "at the close." See Call.

Closing-Out: Liquidating an existing long or short futures or option position with an equal and opposite transaction. Also known as Offset.

Closing Price (or Range): The price (or price range) recorded during trading that takes place in the final period of a trading session's activity that is officially designated as the "close."

Commercial: An entity involved in the production, processing, or merchandising of a commodity.

Commitments: See Open Interest.

Commodity: A commodity, as defined in the Commodity Exchange Act, includes the agricultural commodities enumerated in Section 1a(4) of the Commodity Exchange Act and all other goods and articles, except onions as provided in Public Law 85-839 (7 U.S.C. § 13-1), a 1958 law that banned futures trading in onions, and all services, rights, and interests in which contracts for future delivery are presently or in the future dealt in.

Commodity Exchange Act: The Commodity Exchange Act, 7 U.S.C. § 1, et seq., provides for the federal regulation of commodity futures and options trading. See Commodity Futures Modernization Act.

Commodity Exchange Commission: A commission consisting of the Secretary of Agriculture, Secretary of Commerce, and the Attorney General, responsible for administering the Commodity Exchange Act prior to 1975.

Commodity Futures Modernization Act: The Commodity Futures Modernization Act of 2000 (CFMA), Pub. L. No. 106-554, 114 Stat. 2763, reauthorized the Commodity Futures Trading Commission for five years and overhauled the Commodity Exchange Act to create a flexible structure for the regulation of futures and options trading. Significantly, the CFMA codified an agreement between the CFTC and the Securities and Exchange Commission to repeal the 18-year-old ban on the trading of single stock futures.

Commodity Futures Trading Commission (CFTC): The Federal regulatory agency established by the Commodity Futures Trading Act of 1974 to administer the Commodity Exchange Act.

Commodity Option: An option on a commodity or a futures contract.

Congestion: (1) A market situation in which shorts attempting to cover their positions are unable to find an adequate supply of contracts provided by longs willing to liquidate or by new sellers willing to enter the market, except at sharply higher prices (see Squeeze, Corner); (2) in technical analysis, a period of time characterized by repetitious and limited price fluctuations.

Contango: Market situation in which prices in succeeding delivery months are progressively higher than in the nearest delivery month; the opposite of backwardation.

Contract: (1) A term of reference describing a unit of trading for a commodity future or option; (2) an agreement to buy or sell a specified commodity, detailing the amount and grade of the product and the date on which the contract will mature and become deliverable.

Contract Grades: Those grades of a commodity that have been officially approved by an exchange as deliverable in settlement of a futures contract.

Contract Market: A board of trade or exchange designated by the Commodity Futures Trading Commission to trade futures or options under the Commodity Exchange Act. A contract market can allow both institutional and retail participants and can list for trading futures contracts on any commodity, provided that each contract is not readily susceptible to manipulation. Also called Designated Contract Market. See Derivatives Transaction Execution Facility.

Contract Month: See Delivery Month.

Contract Size: The actual amount of a commodity represented in a contract.

Contract Unit: See Contract Size.

Corner: (1) Securing such relative control of a commodity that its price can be manipulated, that is, can be controlled by the creator of the corner; or (2) in the extreme situation, obtaining contracts requiring the delivery of more commodities than are available for delivery. See Squeeze, Congestion.

Correction: A temporary decline in prices during a bull market that partially reverses the previous rally. See Bear Market Rally.

Counterparty: The opposite party in a bilateral agreement, contract, or transaction. In the retail foreign exchange (or forex) context, the party to which a retail customer sends its funds; lawfully, the party must be one of those listed in Section 2(c)(2)(B)(ii)(I)-(VI) of the Commodity Exchange Act.

Counterparty Risk: The risk associated with the financial stability of the party entered into contract with. Forward contracts impose upon each party the risk that the counterparty will default, but futures contracts executed on a designated contract market are guaranteed against default by the clearing organization.

Counter-Trend Trading: In technical analysis, the method by which a trader takes a position contrary to the current market direction in anticipation of a change in that direction.

Cover: (1) Purchasing futures to offset a short position (same as Short Covering); see Offset, Liquidation ; (2) to have in hand the physical commodity when a short futures sale is made, or to acquire the commodity that might be deliverable on a short sale.

Cross-Hedge: Hedging a cash market position in a futures or option contract for a different but price-related commodity.

Daily Price Limit: The maximum price advance or decline from the previous day's settlement price permitted during one trading session, as fixed by the rules of an exchange.

Day Ahead: See Next Day.

Day Trader: A trader, often a person with exchange trading privileges, who takes positions and then offsets them during the same trading session prior to the close of trading.

Dealer: An individual or firm that acts as a market maker in an instrument such as a security or foreign currency.

Delivery: The tender and receipt of the actual commodity, the cash value of the commodity, or of a delivery instrument covering the commodity (e.g., warehouse receipts or shipping certificates), used to settle a futures contract. See Notice of Delivery, Delivery Notice.

Delivery, Current: Deliveries being made during a present month. Sometimes current delivery is

Derivative: A financial instrument, traded on or off an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of one or more underlying securities, equity indices, debt instruments, commodities, other derivative instruments, or any agreed upon pricing index or arrangement (e.g., the movement over time of the Consumer Price Index or freight rates). Derivatives involve the trading of rights or obligations based on the underlying product, but do not directly transfer property. They are used to hedge risk or to exchange a floating rate of return for fixed rate of return. Derivatives include futures, options, and swaps. For example, futures contracts are derivatives

Diesel fuel: A fuel composed of distillates obtained in petroleum refining operation or blends of such distillates with residual oil used in motor vehicles. The boiling point and specific gravity are higher for diesel fuels than for gasoline.

Directional (deviated) well: A well purposely deviated from the vertical, using controlled angles to reach an objective location other than directly below the surface location. A directional well may be the original hole or a directional "sidetrack" hole that deviates from the original bore at some point below the surface. The new footage associated with directional "sidetrack" holes should not be confused with footage resulting from remedial sidetrack drilling. If there is a common bore from which two or more wells are drilled, the

first complete bore from the surface to the original objective is classified and reported as a well drilled. Each of the deviations from the common bore is reported as a separate well.

Discount: (1) The amount a price would be reduced to purchase a commodity of lesser grade; (2) sometimes used to refer to the price differences between futures of different delivery months, as in the phrase "July at a discount to May," indicating that the price for the July futures is lower than that of May.

Distillate fuel oil: A general classification for one of the petroleum fractions produced in conventional distillation operations. It includes diesel fuels and fuel oils. Products known as No. 1, No. 2, and No. 4 diesel fuel are used in on-highway diesel engines, such as those in trucks and automobiles, as well as off-highway engines, such as those in railroad locomotives and agricultural machinery. Products known as No. 1, No. 2, and No. 4 fuel oils are used primarily for space heating and electric power generation.

No. 1 Distillate: A light petroleum distillate that can be used as either a diesel fuel (see No. 1 Diesel Fuel) or a fuel oil. See No. 1 Fuel Oil.

No. 1 Diesel Fuel: A light distillate fuel oil that has distillation temperatures of 550 degrees Fahrenheit at the 90-percent point and meets the specifications defined in ASTM Specification D 975. It is used in high-speed diesel engines, such as those in city buses and similar vehicles. See No. 1 Distillate above.

No. 1 Fuel Oil: A light distillate fuel oil that has distillation temperatures of 400 degrees Fahrenheit at the 10-percent recovery point and 550 degrees Fahrenheit at the 90-percent point and meets the specifications defined in ASTM Specification D 396. It is used primarily as fuel for portable outdoor stoves and portable outdoor heaters. See No. 1 Distillate above.

No. 2 Distillate: A petroleum distillate that can be used as either a diesel fuel (see No. 2 Diesel Fuel definition below) or a fuel oil. See No. 2 Fuel oil below.

No. 2 Diesel Fuel: A fuel that has distillation temperatures of 500 degrees Fahrenheit at the 10-percent recovery point and 640 degrees Fahrenheit at the 90-percent recovery point and meets the specifications defined in ASTM Specification D 975. It is used in high-speed diesel engines, such as those in railroad locomotives, trucks, and automobiles. See No. 2 Distillate above.

Low Sulfur No. 2 Diesel Fuel: No. 2 diesel fuel that has a sulfur level no higher than 0.05 percent by weight. It is used primarily in motor vehicle diesel engines for on-highway use.

High Sulfur No. 2 Diesel Fuel: No. 2 diesel fuel that has a sulfur level above 0.05 percent by weight.

No. 2 Fuel oil (Heating Oil): A distillate fuel oil that has distillation temperatures of 400 degrees Fahrenheit at the 10-percent recovery point and 640 degrees Fahrenheit at the 90-percent recovery point and meets the specifications defined in ASTM Specification D 396. It is used in atomizing type burners for domestic heating or for moderate capacity commercial/industrial burner units. See No. 2 Distillate above.

No. 4 Fuel: A distillate fuel oil made by blending distillate fuel oil and residual fuel oil stocks. It conforms with ASTM Specification D 396 or Federal Specification VV-F-815C and is used extensively in industrial plants and in commercial burner installations that are not equipped with preheating facilities. It also includes No. 4 diesel fuel used for low- and medium-speed diesel engines and conforms to ASTM Specification D 975.

No. 4 Diesel Fuel and No. 4 Fuel Oil: See No. 4 Fuel above.

Dry natural gas: Natural gas which remains after: 1) the liquefiable hydrocarbon portion has been removed from the gas stream (i.e., gas after lease, field, and/or plant separation); and 2) any volumes of nonhydrocarbon gases have been removed where they occur in sufficient quantity to render the gas unmarketable. Note: Dry natural gas is also known as consumer-grade natural gas. The parameters for measurement are cubic feet at 60 degrees Fahrenheit and 14.73 pounds per square inch absolute. Also see **Natural gas**.

Dry natural gas production: The process of producing consumer-grade natural gas. Natural gas withdrawn from reservoirs is reduced by volumes used at the production (lease) site and by processing losses. Volumes used

at the production site include (1) the volume returned to reservoirs in cycling, repressuring of oil reservoirs, and conservation operations; and (2) gas vented and flared. Processing losses include (1) nonhydrocarbon gases (e.g., water vapor, carbon dioxide, helium, hydrogen sulfide, and nitrogen) removed from the gas stream; and (2) gas converted to liquid form, such as lease condensate and plant liquids. Volumes of dry gas withdrawn from gas storage reservoirs are not considered part of production. Dry natural gas production equals marketed production less extraction loss.

Economically Deliverable Supply: That portion of the deliverable supply of a commodity that is in position for delivery against a futures contract, and is not otherwise unavailable for delivery. For example, Treasury bonds held by long-term investment funds are not considered part of the economically deliverable supply of a Treasury bond futures contract.

Efficient Market: In economic theory, an efficient market is one in which market prices adjust rapidly to reflect new information. The degree to which the market is efficient depends on the quality of information reflected in market prices. In an efficient market, profitable arbitrage opportunities do not exist and traders cannot expect to consistently outperform the market unless they have lower-cost access to information that is reflected in market prices or unless they have access to information before it is reflected in market prices. See Random Walk.

Electronic Trading Facility: A trading facility that operates by an electronic or telecommunications network instead of a trading floor and maintains an automated audit trail of transactions.

Emergency: Any market occurrence or circumstance which requires immediate action and threatens or may threaten such things as the fair and orderly trading in, or the liquidation of, or delivery pursuant to, any contracts on a contract market.

EIA: The Energy Information Administration. An independent agency within the U.S. Department of Energy that develops surveys, collects energy data, and analyzes and models energy issues. The Agency must meet the requests of Congress, other elements within the Department of Energy, Federal Energy Regulatory Commission, the Executive Branch, its own independent needs, and assist the general public, or other interest groups, without taking a policy position. See more information about EIA at **http://www.eia.doe.gov/neic/aboutEIA/aboutus.htm**

End user: A firm or individual that purchases products for its own consumption and not for resale (i.e., an ultimate consumer).

Equity: As used on a trading account statement, refers to the residual dollar value of a futures or option trading account, assuming it was liquidated at current prices.

Exchange: A central marketplace with established rules and regulations where buyers and sellers meet to trade futures and options contracts or securities. Exchanges include designated contract markets and derivatives transaction execution facilities.

FERC: The Federal Energy Regulatory Commission.

Fictitious Trading: Wash trading, bucketing, cross trading, or other schemes which give the appearance of trading but actually no bona fide, competitive trade has occurred.

Final Settlement Price: The price at which a cash-settled futures contract is settled at maturity, pursuant to a procedure specified by the exchange.

Financial Instruments: As used by the CFTC, this term generally refers to any futures or option contract that is not based on an agricultural commodity or a natural resource. It includes currencies, equity securities, fixed income securities, and indexes of various kinds.

Financial Settlement: Cash settlement, especially for energy derivatives.

Floor Broker: A person with exchange trading privileges who, in any pit, ring, post, or other place provided by an exchange for the meeting of persons similarly engaged, executes for another person any orders for the purchase or sale of any commodity for future delivery.

Floor Trader: A person with exchange trading privileges who executes his own trades by being personally present in the pit or ring for futures trading. See Local.

Forwardation: See Contango.

Forward Contract: A cash transaction common in many industries, including commodity merchandising, in which a commercial buyer and seller agree upon delivery of a specified quality and quantity of goods at a specified future date. Terms may be more "personalized" than is the case with standardized futures contracts (i.e., delivery time and amount are as determined between seller and buyer). A price may be agreed upon in advance, or there may be agreement that the price will be determined at the time of delivery.

Forward Market: The over-the-counter market for forward contracts.

Forward Months: Futures contracts, currently trading, calling for later or distant delivery. See Deferred Futures, Back Months.

Front Month: The Spot or Nearby Delivery Month, the nearest traded contract month. See Back Month.

Front Running: With respect to commodity futures and options, taking a futures or option position based upon non-public information regarding an impending transaction by another person in the same or related future or option. Also known as trading ahead.

FRS: Financial Reporting System Survey (EIA survey).

Fuel switching capability: The short-term capability of a manufacturing establishment to have used substitute energy sources in place of those actually consumed. Capability to use substitute energy sources means that the establishment's combustors (for example, boilers, furnaces, ovens, and blast furnaces) had the machinery or equipment either in place or available for installation so that substitutions could actually have been introduced within 30 days without extensive modifications. Fuel-switching capability does not depend on the relative prices of energy sources; it depends only on the characteristics of the equipment and certain legal constraints.

Fundamental Analysis: Study of basic, underlying factors that will affect the supply and demand of the commodity being traded in futures contracts. See Technical Analysis.

Futures Contract: An agreement to purchase or sell a commodity for delivery in the future: (1) at a price that is determined at initiation of the contract; (2) that obligates each party to the contract to fulfill the contract at the specified price; (3) that is used to assume or shift price risk; and (4) that may be satisfied by delivery or offset.

Futures Price: (1) Commonly held to mean the price of a commodity for future delivery that is traded on a futures exchange; (2) the price of any futures contract.

Gas turbine plant: A plant in which the prime mover is a gas turbine. A gas turbine consists typically of an axial-flow air compressor and one or more combustion chambers where liquid or gaseous fuel is burned and the hot gases are passed to the turbine and where the hot gases expand drive the generator and are then used to run the compressor.

Grades: Various qualities of a commodity.

Haircut: In computing the value of assets for purposes of capital, segregation, or margin requirements, a percentage reduction from the stated value (e.g., book value or market value) to account for possible declines in value that may occur before assets can be liquidated.

Hedge Exemption: An exemption from speculative position limits for bona fide hedgers and certain other persons who meet the requirements of exchange and CFTC rules.

Hedge Fund: A private investment fund or pool that trades and invests in various assets such as securities, commodities, currency, and derivatives on behalf of its clients, typically wealthy individuals. Some Commodity Pool Operators operate hedge funds.

Hedging: Taking a position in a futures market opposite to a position held in the cash market to minimize the risk of financial loss from an adverse price change; or a purchase or sale of futures as a temporary substitute for a cash transaction that will occur later. One can hedge either a long cash market position (e.g., one owns the cash commodity) or a short cash market position (e.g., one plans on buying the cash commodity in the future).

Henry Hub: A natural gas pipeline hub in Louisiana that serves as the delivery point for New York Mercantile Exchange natural gas futures contracts and often serves as a benchmark for wholesale natural gas prices across the U.S.

Historical Volatility: A statistical measure of the volatility of a futures contract, security, or other instrument over a specified number of past trading days.

Implied Volatility: The volatility of a futures contract, security, or other instrument as implied by the prices of an option on that instrument, calculated using an options pricing model.

Instrument: A tradable asset such as a commodity, security, or derivative, or an index or value that underlies a derivative or could underlie a derivative.

Inverted Market: A futures market in which the nearer months are selling at prices higher than the more distant months; a market displaying "inverse carrying charges," characteristic of markets with supply shortages. See Backwardation.

Large Traders: A large trader is one who holds or controls a position in any one future or in any one option expiration series of a commodity on any one exchange equaling or exceeding the exchange or CFTC-specified reporting level.

Last Notice Day: The final day on which notices of intent to deliver on futures contracts may be issued.

Last Trading Day: Day on which trading ceases for the maturing (current) delivery month.

Leverage: The ability to control large dollar amounts of a commodity or security with a comparatively small amount of capital.

Limit (Up or Down): The maximum price advance or decline from the previous day's settlement price permitted during one trading session, as fixed by the rules of an exchange. In some futures contracts, the limit may be expanded or removed during a trading session a specified period of time after the contract is locked limit. See Daily Price Limit.

Limit Move: See Locked Limit.

Liquidation: The closing out of a long position. The term is sometimes used to denote closing out a short position, but this is more often referred to as covering. See Cover, Offset.

Liquid Market: A market in which selling and buying can be accomplished with minimal effect on price.

Local: An individual with exchange trading privileges who trades for his own account, traditionally on an exchange floor, and whose activities provide market liquidity. See Floor Trader, E-Local.

Long: (1) One who has bought a futures contract to establish a market position; (2) a market position that obligates the holder to take delivery; (3) one who owns an inventory of commodities. See Short.

Long Hedge: See Buying Hedge.

Manipulation: Any planned operation, transaction, or practice that causes or maintains an artificial price. Specific types include corners and squeezes as well as unusually large purchases or sales of a commodity or

security in a short period of time in order to distort prices, and putting out false information in order to distort prices.

Margin: The amount of money or collateral deposited by a customer with his broker, by a broker with a clearing member, or by a clearing member with a clearing organization. The margin is not partial payment on a purchase. Also called Performance Bond. (1) Initial margin is the amount of margin required by the broker when a futures position is opened; (2) Maintenance margin is an amount that must be maintained on deposit at all times. If the equity in a customer's account drops to or below the level of maintenance margin because of adverse price movement, the broker must issue a margin call to restore the customer's equity to the initial level. See Variation Margin. Exchanges specify levels of initial margin and maintenance margin for each futures contract, but Futures Commission Merchants may require their customers to post margin at higher levels than those specified by the exchange. Futures margin is determined by the SPAN margining system, which takes into account all positions in a customer's portfolio.

Market Maker: A professional securities dealer or person with trading privileges on an exchange who has an obligation to buy when there is an excess of sell orders and to sell when there is an excess of buy orders. By maintaining an offering price sufficiently higher than their buying price, these firms are compensated for the risk involved in allowing their inventory of securities to act as a buffer against temporary order imbalances. In the futures industry, this term is sometimes loosely used to refer to a floor trader or local who, in speculating for his own account, provides a market for commercial users of the market. Occasionally a futures exchange will compensate a person with exchange trading privileges to take on the obligations of a market maker to enhance liquidity in a newly listed or lightly traded futures contract. See Specialist System.

Mark-to-Market: Part of the daily cash flow system used by US futures exchanges to maintain a minimum level of margin equity for a given futures or option contract position by calculating the gain or loss in each contract position resulting from changes in the price of the futures or option contracts at the end of each trading session. These amounts are added or subtracted to each account balance.

Maturity: Period within which a futures contract can be settled by delivery of the actual commodity.

Mcf: One thousand cubic feet.

Methane: A colorless, flammable, odorless hydrocarbon gas (CH_4) which is the major component of natural gas. It is also an important source of hydrogen in various industrial processes. Methane is a greenhouse gas. See also **Greenhouse gases**.

MMbbl/d: One million barrels of oil per day.

MMBtu: One million British thermal units.

MMcf: One million cubic feet.

Narrow-Based Security Index: In general, the Commodity Exchange Act defines a narrow-based security index as an index of securities that meets one of the following four requirements (1) it has nine or fewer components; (2) one component comprises more than 30 percent of the index weighting; (3) the five highest weighted components comprise more than 60 percent of the index weighting, or (4) the lowest weighted components comprising in the aggregate 25 percent of the index's weighting have an aggregate dollar value of average daily volume over a six-month period of less than $50 million ($30 million if there are at least 15 component securities). However, the legal definition in Section 1a(25) of the CEA contains several exceptions to this provision. See Broad-Based Security Index, Security Future.

National Futures Association (NFA): A self-regulatory organization whose members include Futures Commission Merchants, Commodity Pool Operators, Commodity Trading Advisors, Introducing Brokers, commodity exchanges, commercial firms, and banks, that is responsible—under CFTC oversight—for certain aspects of the regulation of FCMs, CPOs, CTAs, IBs, and their Associated Persons, focusing primarily on the qualifications and proficiency, financial condition, retail sales practices, and business

conduct of these futures professionals. NFA also performs arbitration and dispute resolution functions for industry participants.

Nearbys: The nearest delivery months of a commodity futures market.

Nearby Delivery Month: The month of the futures contract closest to maturity; the front month or lead month.

Net Position: The difference between the open long contracts and the open short contracts held by a trader in any one commodity.

NYMEX: the New York Mercantile Exchange (NYMEX).

NYMEX Swap: A lookalike swap that is based on a futures contract traded on the New York

Off Exchange: See Over-the-Counter.

Off peak gas: Gas that is to be delivered and taken on demand when demand is not at its peak.

On peak: Periods of relatively high system demand. These periods often occur in daily, weekly, and seasonal patterns; these on-peak periods differ for each individual electric utility.

Opening Price (or Range): The price (or price range) recorded during the period designated by the exchange as the official opening.

Opening: The period at the beginning of the trading session officially designated by the exchange during which all transactions are considered made "at the opening."

Open Interest: The total number of futures contracts long or short in a delivery month or market that has been entered into and not yet liquidated by an offsetting transaction or fulfilled by delivery. Also called Open Contracts or Open Commitments.

Option: A contract that gives the buyer the right, but not the obligation, to buy or sell a specified quantity of a commodity or other instrument at a specific price within a specified period of time, regardless of the market price of that instrument. Also see Put and Call.

Over-the-Counter (OTC): The trading of commodities, contracts, or other instruments not listed on any exchange. OTC transactions can occur electronically or over the telephone. Also referred to as Off-Exchange.

Pork Bellies: One of the major cuts of the hog carcass that, when cured, becomes bacon.

Position: An interest in the market, either long or short, in the form of one or more open contracts.

Position Limit: See Speculative Position Limit.

Prearranged Trading: Trading between brokers in accordance with an expressed or implied agreement or understanding, which is a violation of the Commodity Exchange Act and CFTC regulations.

Price Discovery: The process of determining the price level for a commodity based on supply and demand conditions. Price discovery may occur in a futures market or cash market.

Price Movement Limit: See Limit (Up or Down).

Primary Market: (1) For producers, their major purchaser of commodities; (2) to processors, the market that is the major supplier of their commodity needs; and (3) in commercial marketing channels, an important center at which spot commodities are concentrated for shipment to terminal markets.

Probable energy reserves: Estimated quantities of energy sources that, on the basis of geologic evidence that supports projections from proved reserves (see definition below), can reasonably be expected to exist and be recoverable under existing economic and operating conditions. Site information is insufficient to establish with confidence the location, quality, and grades of the energy source. Note: This term is equivalent to "Indicated Reserves" as defined in the resource/reserve classification contained in the U.S.

Geological Survey Circular 831, 1980. Measured and indicated reserves, when combined, constitute demonstrated reserves.

Production capacity: The amount of product that can be produced from processing facilities.

Program Trading: The purchase (or sale) of a large number of stocks contained in or comprising a portfolio. Originally called program trading when index funds and other institutional investors began to embark on large-scale buying or selling campaigns or "programs" to invest in a manner that replicates a target stock index, the term now also commonly includes computer-aided stock market buying or selling programs, and index arbitrage.

Prompt Date: The date on which the buyer of an option will buy or sell the underlying commodity (or futures contract) if the option is exercised.

Proved energy reserves: Estimated quantities of energy sources that analysis of geologic and engineering data demonstrates with reasonable certainty are recoverable under existing economic and operating conditions. The location, quantity, and grade of the energy source are usually considered to be well established in such reserves. *Note:* This term is equivalent to "Measured Reserves" as defined in the resource/reserve classification contained in the U.S. Geological Survey Circular 831, 1980. Measured and indicated reserves, when combined, constitute demonstrated reserves.

Public: In trade parlance, non-professional speculators as distinguished from hedgers and professional speculators or traders.

Public utility: Enterprise providing essential public services, such as electric, gas, telephone, water, and sewer under legally established monopoly conditions.

Quotation: The actual price or the bid or ask price of either cash commodities or futures contracts.

Rally: An upward movement of prices.

Random Walk: An economic theory that market price movements move randomly. This assumes an efficient market. The theory also assumes that new information comes to the market randomly. Together, the two assumptions imply that market prices move randomly as new information is incorporated into market prices. The theory implies that the best predictor of future prices is the current price, and that past prices are not a reliable indicator of future prices. If the random walk theory is correct, Technical Analysis cannot work.

Recoverable proved reserves: The proved reserves of natural gas as of December 31 of any given year are the estimated quantities of natural gas which geological and engineering data demonstrates with reasonable certainty to be recoverable in the future from known natural oil and gas reservoirs under existing economic and operating conditions.

Recoverable reserves: The amount of coal that can be recovered (mined) from the coal deposits at active producing mines as of the end of the year.

Reporting Level: Sizes of positions set by the exchanges and/or the CFTC at or above which commodity traders or brokers who carry these accounts must make daily reports about the size of the position by commodity, by delivery month, and whether the position is controlled by a commercial or non-commercial trader. See CFTC Backgrounder: The CFTC's Large Trader Reporting System.

Reserve: That portion of the demonstrated reserve base that is estimated to be recoverable at the time of determination. The reserve is derived by applying a recovery factor to that component of the identified coal resource designated as the demonstrated reserve base.

Reserve additions: The estimated original, recoverable, salable, and new proved reserves credited to new fields, new reservoirs, new gas purchase contracts, amendments to old gas purchase contracts, or purchase of gas reserves in-place that occurred during the year and had not been previously reported. Reserve additions refer to domestic in-the-ground natural gas reserve additions and do not refer to interstate pipeline purchase agreements; contracts with foreign suppliers; coal gas, SNG, or LNG purchase arrangements.

Risk/Reward Ratio: The relationship between the probability of loss and profit. This ratio is often used as a basis for trade selection or comparison.

Roll-Over: A trading procedure involving the shift of one month of a straddle into another future month while holding the other contract month. The shift can take place in either the long or short straddle month. The term also applies to lifting a near futures position and re-establishing it in a more deferred delivery month.

Rotary rig: A machine used for drilling wells that employs a rotating tube attached to a bit for boring holes through rock.

Round Trip Trading: See Wash Trading.

Rules: The principles for governing an exchange. In some exchanges, rules are adopted by a vote of the membership, while in others, they can be imposed by the governing board.

Securities and Exchange Commission (SEC): The Federal regulatory agency established in 1934 to administer Federal securities laws.

Self-Regulatory Organization (SRO): Exchanges and registered futures associations that enforce financial and sales practice requirements for their members. See Designated Self-Regulatory Organizations.

Short: (1) The selling side of an open futures contract; (2) a trader whose net position in the futures market shows an excess of open sales over open purchases. See Long.

Short Covering: See Cover.

Short Hedge: See Selling Hedge.

Short Selling: Selling a futures contract or other instrument with the idea of delivering on it or offsetting it at a later date.

Short Squeeze: See Squeeze.

Shut in: Closed temporarily; wells and mines capable of production may be shut in for repair, cleaning, inaccessibility to a market, etc.

Small Traders: Traders who hold or control positions in futures or options that are below the reporting level specified by the exchange or the CFTC.

Soft: (1) A description of a price that is gradually weakening; or (2) this term also refers to certain "soft" commodities such as sugar, cocoa, and coffee.

Spark Spread: The differential between the price of electricity and the price of natural gas or other fuel used to generate electricity, expressed in equivalent units. See Gross Processing Margin.

Speculator: In commodity futures, an individual who does not hedge, but who trades with the objective of achieving profits through the successful anticipation of price movements.

Spot: Market of immediate delivery of and payment for the product.

Spot Commodity: (1) The actual commodity as distinguished from a futures contract; (2) sometimes used to refer to cash commodities available for immediate delivery. See Actuals or Cash Commodity.

Spot market (natural gas): A market in which natural gas is bought and sold for immediate or very near-term delivery, usually for a period of 30 days or less. The transaction does not imply a continuing arrangement between the buyer and the seller. A spot market is more likely to develop at a location with numerous pipeline interconnections, thus allowing for a large number of buyers and sellers. The Henry Hub in southern Louisiana is the best known spot market for natural gas.

Spot Month: The futures contract that matures and becomes deliverable during the present month. Also called Current Delivery Month.

Spot Price: The price at which a physical commodity for immediate delivery is selling at a given time and place. See Cash Price.

Spread (or Straddle): The purchase of one futures delivery month against the sale of another futures delivery month of the same commodity; the purchase of one delivery month of one commodity against the sale of that same delivery month of a different commodity; or the purchase of one commodity in one market against the sale of the commodity in another market, to take advantage of a profit from a change in price relationships. The term spread is also used to refer to the difference between the price of a futures month and the price of another month of the same commodity. A spread can also apply to options. See Arbitrage.

Squeeze: A market situation in which the lack of supplies tends to force shorts to cover their positions by offset at higher prices. Also see Congestion, Corner.

Straddle: (1) See Spread; (2) an option position consisting of the purchase of put and call options having the same expiration date and strike price.

Storage additions: Volumes of gas injected or otherwise added to underground natural gas reservoirs or liquefied natural gas storage.

Storage withdrawals: Total volume of gas withdrawn from underground storage or from liquefied natural gas storage over a specified amount of time.

STRIPS (Separate Trading of Registered Interest and Principal Securities): A book-entry system operated by the Federal Reserve permitting separate trading and ownership of the principal and coupon portions of selected Treasury securities. It allows the creation of zero coupon Treasury securities from designated whole bonds.

Strong Hands: When used in connection with delivery of commodities on futures contracts, the term usually means that the party receiving the delivery notice probably will take delivery and retain ownership of the commodity; when used in connection with futures positions, the term usually means positions held by trade interests or well-financed speculators.

Sunk cost: Part of the capital costs actually incurred up to the date of reserves estimation minus depreciation and amortization expenses. Items such as exploration costs, land acquisition costs, and costs of financing can be included.

Swap: In general, the exchange of one asset or liability for a similar asset or liability for the purpose of lengthening or shortening maturities, or raising or lowering coupon rates, to maximize revenue or minimize financing costs. This may entail selling one securities issue and buying another in foreign currency; it may entail buying a currency on the spot market and simultaneously selling it forward. Swaps also may involve exchanging income flows; for example, exchanging the fixed rate coupon stream of a bond for a variable rate payment stream, or vice versa, while not swapping the principal component of the bond. Swaps are generally traded over-the-counter.

Systematic Risk: Market risk due to factors that cannot be eliminated by diversification.

Systemic Risk: The risk that a default by one market participant will have repercussions on other participants due to the interlocking nature of financial markets. For example, Customer A's default in X market may affect Intermediary B's ability to fulfill its obligations in Markets X, Y, and Z.

Technical Analysis: An approach to forecasting commodity prices that examines patterns of price change, rates of change, and changes in volume of trading and open interest, without regard to underlying fundamental market factors. Technical analysis can work consistently only if the theory that price movements are a Random Walk is incorrect. See Fundamental Analysis.

Trader: (1) A merchant involved in cash commodities; (2) a professional speculator who trades for his own account and who typically holds exchange trading privileges.

Trading Ahead: See Front Running.

Transaction: The entry or liquidation of a trade.

Underlying Commodity: The cash commodity underlying a futures contract. Also, the commodity or futures contract on which a commodity option is based, and which must be accepted or delivered if the option is exercised.

Volatility: A statistical measurement of the rate of price change of a futures contract, security, or other instrument underlying an option. See Historical Volatility, Implied Volatility.

Volume of Trade: The number of contracts traded during a specified period of time. It may be quoted as the number of contracts traded or as the total of physical units, such as bales or bushels, pounds or dozens.

Wash Sale: See Wash Trading.

Wash Trading: Entering into, or purporting to enter into, transactions to give the appearance that purchases and sales have been made, without incurring market risk or changing the trader's market position. The Commodity Exchange Act prohibits wash trading. Also called Round Trip Trading, Wash Sales.

Weather Derivative: A derivative whose payoff is based on a specified weather event, for example, the average temperature in Chicago in January. Such a derivative can be used to hedge risks related to the demand for heating fuel or electricity.

Wellhead: The point at which the crude (and/or natural gas) exits the ground. Following historical precedent, the volume and price for crude oil production are labeled as "wellhead," even though the cost and volume are now generally measured at the lease boundry. In the context of domestic crude price data, the term "wellhead" is the generic term used to reference the production site or lease property.

Wellhead price: The value at the mouth of the well. In general, the wellhead price is considered to be the sales price obtainable from a third party in an arm's length transaction. Posted prices, requested prices, or prices as defined by lease agreements, contracts, or tax regulations should be used where applicable.

Yield Curve: A graphic representation of market yield for a fixed income security plotted against the maturity of the security. The yield curve is positive when long-term rates are higher than short-term rates.

Yield to Maturity: The rate of return an investor receives if a fixed income security is held to maturity.

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 AUG 18 AM 10:06
COMMISSION CLERK

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

060000-OT

DATE: August 17, 2006

TO: Marguerite H. Lockard, Commission Deputy Clerk II, Division of the Commission Clerk & Administrative Services
Kay B. Flynn, Chief of Records, Division of the Commission Clerk & Administrative Services

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

RE: Access to Regulatory Assessment Fee Confidential Documents

I request Dale Mailhot, Bob Casey, and Rick Wright be granted access to any and all confidential documents regarding Regulatory Assessment Fee (RAF) returns, audits, and responses to audits.

When reviews have been completed, these documents will be returned to the Division of Commission Clerk and Administrative Services.

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

cc: Dale Mailhot
Bob Casey
Rick Wright
Della Fordham

State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

DATE: 9.18.06

TO: Carey Rasel

FROM: T. Henry, Division of the Commission Clerk & Administrative Services

RE: **Acknowledgment of Receipt of Confidential Filing**

08575-06

This will acknowledge receipt of a **CONFIDENTIAL DOCUMENT** filed in Docket No. 060000 or (if filed in an undocketed matter) concerning Financial Statements, and filed on behalf of Rasel / Telovations. The document will be maintained in locked storage.

Any questions regarding this matter should be directed to Kay Flynn at (850) 413-6770.

I:\Confid\ackconf.doc

PSC/CCA019-C(Rev 12/05)

DOCUMENT NO.
03349-07

Matilda Sanders

From:	Mary Diskerud
Sent:	Wednesday, September 20, 2006 2:16 PM
To:	CCA - Orders / Notices
Subject:	Order / Notice Submitted 6
Date and Time:	9/20/2006 2:15:00 PM
Docket Number:	Undocketed
Filename / Path:	Notice22-081.ctm.doc

Copied to gcorders. Distribution is Electric (EI) (EM) (EC) ccs ✓

Mary

9516.

State of Florida

Public Service Commission

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

DATE: September 20, 2006

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Section, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. UNDOCKETED, WORKSHOP HELD 09/07/06.

Re: REVIEW OF TEN-YEAR SITE PLANS OF ELECTRIC UTILITIES.

DOCUMENT NO.: 08634-06, 09/20/06

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

JF/rlm

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TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: September 20, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement
Dale N. Mailhot, Assistant Director, Division of Competitive Markets and Enforcement
Richard A. Moses, Chief of Telecom Serv Qual, Cert and Enforce, Division of Competitive Markets & Enforcement

FROM: Clayton K. Lewis, Engineering Specialist III, Division of Competitive Markets & Enforcement CKL

RE: Request to review confidential filing - DN 08483-06.doc.

Per agreement with staff, AT&T has filed the requested customer records in accordance with staff's plans to perform a service evaluation of its CLEC operations. This is a request to allow Bureau of Service Quality personnel to review the document in order to plan and complete the assigned service evaluation. Permission is requested for:

R. Moses
C. Lewis
P. Buys
P. Nguyen
B. Mathew
J. Colby

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION:

David B. Erwin
Attorney At Law

127 Riversink Road
Crawfordville, Florida 32327

Telephone 850.926.9331
Fax 850.926.8448
daveerwin@hughes.net

September 25, 2006

RECEIVED-FPSC
06 SEP 25 AM 11:54
COMMISSION
CLERK

Blanca Bayo, Division of the Commission Clerk
& Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

060000

In re: Indiantown Company, Inc. – 2006 Price Index and Pass Through

Dear Ms. Bayo:

On September 13, 2006, Indiantown Company filed the original and five copies of the 2006 Price Index Increase and 2006 Pass Through Increase for Indiantown Company, Inc.

Staff has notified the company of certain deficiencies in the filing. In order to correct the problem the company herewith files the following:

1) Revised Schedules 1, 2, 3 and 4;
2) Revised Tariff sheets;
3) Revised Exhibit "E," "Electric Power and Consumption Charges" to back up "Schedule 2."

Thank you for your attention to this filing.

Sincerely,

David B. Erwin

CMP _____
COM _____
CTR _____
ECR all
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC _____
OTH _____

State of Florida

Public Service Commission

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060000-OT

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

DATE: September 25, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Dale Mailhot, Deputy Director, Competitive Markets and Enforcement DM

RE: Request to Review Confidential Documents

Pursuant to the Commission's Administrative Procedure Manual, Chapter 11.04(C)(4)(b), I request that Carl Vinson, Lisa Harvey, Beth Salak and I be allowed access to Document Number 08808-06 filed by BellSouth on September 22, 2006 in response to staff's request for information regarding allegations of unethical sales practices. This confidential information will be treated in accordance with Florida Statutes and the Commission's APM.

cc: Beth Salak
Lisa Harvey
Carl Vinson

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

September 26, 2006

Ms. Nancy Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, Florida 32301-1556

Re: Return of Confidential Documents to the Source (Undocketed)

Dear Ms. Sims:

Commission staff have advised that Confidential Document Nos. 01272-06, 01585-06, 02044-06, 02665-06, 03125-06, 03535-06, 03985-06, 04760-06, 05999-06, 07006-06, and 08236-06 filed on behalf of BellSouth Telecommunications, Inc., can be returned to the source. The documents are enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Lisa Harvey, Division of Competitive Markets and Enforcement

RECEIVED _____ DATE 10/6/06

State of Florida

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TALLAHASSEE, FLORIDA 32399-0850

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

FPSC-COMMISSION CLERK
Administrative Parties Consumer
DOCUMENT NO. 08349-06
DISTRIBUTION: -

DATE: September 29, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Richard A. Moses, Chief of Telecom Serv Qual, Cert and Enforce, Division of Competitive Markets & Enforcement

RE: Access to confidential materials

The CMP staff listed below require access to the following confidential documents. These documents were submitted in response to staff inquiries regarding a cramming investigation. These staff need the information to proceed with the investigation. Please allow these persons to have access to the documents listed.

Document Nos.: 04785-06 and 08806-06

CMP Staff: Rick Moses, Ray Kennedy, Dale Buys, Kiwanis Curry, Melinda Watts

c:

Division of the Commission Clerk & Administrative Services

FPSC-COMMISSION CLERK
06 SEP 29 AM 9:38
RECEIVED

Kay Flynn 060000

From: Donna Jones
Sent: Wednesday, October 04, 2006 10:23 AM
To: All PSC Staff; Commissioners & Staffs
Subject: Sales Tax Waived for New Energy Efficient Products

A news release was distributed to the daily newspapers this morning, 10/04/06, and is now available on the PSC website:

http://www.psc.state.fl.us/home/news/index.aspx?id=170

State of Florida

Public Service Commission

NEWS RELEASE

10/4/2006 **Contact: 850-413-6482**

Sales Tax Waived for New Energy Efficient Products

TALLAHASSEE — The Florida Public Service Commission (PSC) is encouraging consumers to take advantage of the tax savings available on qualifying purchases during Energy Efficiency Week, October 5-11.

Consumers purchasing appliances and other products that meet certain efficiency guidelines during Energy Efficiency Week will pay no sales tax on those items. Qualifying products include dishwashers, washers, air conditioners, ceiling fans, incandescent or fluorescent light bulbs, dehumidifiers, programmable thermostats, or refrigerators that meet or exceed the federal Energy Star Program requirements. The Energy Star label appears on the product or product packaging. This opportunity is for residential consumers purchasing new items with a selling price of $1,500 or less per product.

In addition, all five investor-owned utilities and many municipal electric providers offer home energy audits and provide rebates for the installation of certain energy efficient appliances. These audits provide an analysis of a home's energy consumption and suggest cost-effective energy-saving improvements. Each utility can provide additional information regarding audits, rebates, and energy conservation measures available in its service area.

For more energy conservation tips, visit http://www.floridapsc.com/. Additional information on the Energy Star Program can be found at http://www.energystar.gov/.

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State of Florida

Public Service Commission

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RECEIVED-FPSC
06 OCT -6 PM 12:14
COMMISSION
CLERK

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

060000-OT

DATE: October 6, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to Review Confidential Document

Pursuant to APM 11.04(C)(4)(b), I request that Clayton Lewis be granted access to the undocketed BellSouth, Embarq and Verizon confidential responses to staff's informal data request regarding Special Construction documents 05665-06 (BellSouth) and 05564-06 (Embarq). Any confidential information reviewed will be treated in accordance with the procedures in the APM.

cc: Dale Mailhot
Lisa Harvey
Carl Vinson

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

Kay Flynn 060000

From: Ray Kennedy
Sent: Monday, October 09, 2006 1:41 PM
To: 'cnance@tncii.com'
Cc: Kay Flynn
Subject: Your Inquiry Regarding TNCI's Inter to provide CMRS in Florida - FPSC Document No. 09237, October 6, 2006

Good Afternoon Mr. Nance,

The Florida Public Service Commission does not regulate CMRS. The specific cite regarding this can be found in Section 364.02, Florida Statutes.

364.02(3) defines CMRS.

364.02(14) defines a telecommunications company and goes on to state that the term "telecommunications company" does not include CMRS (364.02(14)(c)).

You should check with the Department of Revenue regarding taxes, fees, etc. Their website is: http://sun6.dms.state.fl.us/dor/.

I suggest you also go to this website: http://www.leg.state.fl.us/statutes/index.cfm for the Florida statutes. Type commercial mobile radio service in the seach box and you will see all Florida statutes that even mention CMRS. Select the 2006 version of the statutes. I found only 7 references.

I hope this answers your inquiry. Do not hesitate to contact me if you have any questions.

Ray Kennedy
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Phone: 850-413-6584
Fax: 850-413-6585
E-Mail: rkennedy@psc.state.fl.us

State of Florida

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FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
060000-OT DOCUMENT NO 09349-07
DISTRIBUTION: —

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

DATE: October 11, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement
Michael G. Cooke, General Counsel MGC

RE: Access to Confidential Documents – BellSouth developer agreements

The following staff have need to access and should be permitted access to confidential document **09364 (10/09/06)**:

Ray Kennedy
Rick Moses
Chris Moore
Patrick Wiggins
Lee Eng Tan
Victor McKay

State of Florida

Public Service Commission

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Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: —

DATE: October 11, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement
Michael G. Cooke, General Counsel MGC

RE: Access to Confidential Documents – BellSouth Response to Staff Inquiries Regarding Cramming

The following staff have need to access and should be permitted access to confidential documents **08806 (9/22/06)** and **04785 (6/2/06)**:

Ray Kennedy
Melinda Watts
Lee Eng Tan
Jason Fudge
Kira Scott
Dale Buys
Rick Moses
Dale Mailhot
Kiwanis Curry
Patrick Wiggins

The memorandum replaces all memorandums previously submitted identifying personnel that require access to these documents.

1

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Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 OCT 11 AM 11 : 44
COMMISSION
CLERK

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

DATE: October 11, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement
Patrick K. Wiggins, Attorney Supervisor, Office of the General Counsel

RE: Access to Confidential Documents – BellSouth Response to Staff Inquiries Regarding Cramming

The following staff have need to access and should be permitted access to confidential documents **08806 (9/22/06)** and **04785 (6/2/06)**:

Ray Kennedy
Melinda Watts
Lee Eng Tan
Jason Fudge
Kira Scott
Dale Buys
Rick Moses
Dale Mailhot
Kiwanis Curry

The memorandum replaces all memorandums previously submitted identifying personnel that require access to these documents.

(2)

State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

060000-07

DATE: October 11, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement
Michael G. Cooke, General Counsel MGC

RE: Access to Confidential Documents – Lennar Development service agreements.

The following staff have need to access and should be permitted access to confidential documents **09387 (10/10/06)** and **09389 (10/10/06)**:

Ray Kennedy
Lee Eng Tan
Rick Moses
Patrick Wiggins
Victor McKay
Chris Moore

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
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TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

DATE: October 13, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Michael G. Cooke, General Counsel MGC
Mary Andrews Bane, Executive Director MAB

RE: Access to Confidential Documents

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: ECR ; GCL

This Memorandum authorizes Larry Harris, Office of the General Counsel, and Tim Devlin and Bob Trapp, Division of Economic Regulation, access to Confidential Documents Numbers 06082-06 and 01587-06. Thank you for your assistance.

Cc: CCA
Larry Harris
Tim Devlin
Bob Trapp

06 OCT 17 AM 8:11
COMMISSION CLERK
ADMINISTRATIVE SERVICES

ORIGINAL

VarTec Telecom
2400 Marsh Lane
Carrollton, TX 75006-2126

VarTec Telecom

06 OCT 16 AM 8:02
RIBUTION CENTER

060000

>00091 4589023 001 008154 VTLCLS
ALBERTA FRANK
PO BOX 897
LAKE CITY, FL 32056

RECEIVED-FPSC
06 OCT 16 AM 9:03
COMMISSION
CLERK

Final Notice

Date: August 31, 2006

Dear ALBERTA FRANK,

Our records indicate your account was recently disconnected due to non-payment of the amount due.

* Total Due: $ 109.90
* Account Number: S002039504
* Account ID: 1002039504

Payment in full must be received within 10 days from the date of this letter in order to avoid your account being assigned to an outside collection agency. If your account is placed with a collection agency, your unpaid balance may be reported to a national credit reporting bureau.

CMP 1
COM
CTR
ECR
GCL 1
OPC
RCA
SCR
SGA
SEC
OTH

Payment Options:

* 24 hour automatic phone system with a credit card, debit card, ATM card or checking account. Call 1-800-589-6063. Use your 10 digit account ID.
* Online at www.vartec.com. Use your 10 digit account ID.
* ACE Cash Express Payment (Reference VarTec - 167978)
* MoneyGram Payment (Reference VarTec -3548)
* By mail. Include your 10 digit account ID and your 6 character account number on the check or money order.

If you dispute the amount that is past due or need further assistance, please contact us at 1-800-589-6063.

VarTec Telecom
Hours of Operation (Central Time):
Monday-Friday: 8:00A-9:00P
Saturday: 8:00A-Noon

Alberta Frank
P.O. Box 897
Lake City, FL 32056

JACKSONVILLE FL 322

14 OCT 2006 PM 1 T



Fla. P.S.C.
2540 Shumard Oak Blvd.
Tallahassee, Fl. 32399

att.
case# 713781

32399+7013

VarTec Telecom, Inc.

Account Number 11-1002039504
Statement Date MAY 25, 2006

How To Contact Us

Customer Service
1-800-583-5801

Pay your bill by phone...

By calling
1-800-274-4791

Pay your bill online...

at www.vartec.com

ACCOUNT SUMMARY

Previous Balance		$ 55.00
Payments Received through 05/24/2006 - Thank You		$ 55.00
	Total Previous Balance	**$ 0.00**
Current Charges		
Taxes, Surcharges, Other Fees and Adjustments	Page 3	$ 99.90
	Total Current Charges	**$ 99.90**
	Total Amount Due	**$ 99.90**

Automatic Bill Payments are made by your bank or card institution up to four days before the due date.
Thank you for using Automatic Bill Payment.

Keep
Send Detach and return your check payable to VarTec Telecom, Inc..

01082 4503411 001688 002931 00001/00002

VarTec Telecom, Inc.

P. O. Box 219046
Kansas City, MO 64121-9046

☐ Please check here if paying with credit/debit card on page 2

Account Number	11-1002039504
Statement Date	MAY 25, 2006
Due Date	JUN 10, 2006
Total Amount Due	**$ 99.90**
Amount Paid	**$ DO NOT PAY**

>01082 4503411 001 008151
ALBERTA L FRANK
PO BOX 897
LAKE CITY, FL 32056-0897

VARTEC TELECOM, INC.
P. O. BOX 219046
KANSAS CITY, MO 64121-9046

1100001002039504052506005086045300000099900000009990E

06/15/2006

This is to confirm that Alberta Frank had sufficient funds in her bank account with Bank of America on 4/25/2006. Her balance exceeded the amounts of 50.74 and 4.26. This is the third letter we have sent. Please fix immediately. Thank you.

Sincerely,

Michele Lloyd
Officer

Bank of America

MICHELE LLOYD
Senior Personal Banker
Loan Officer
South First Street

Tel: 386.758.7805 · Fax: 386.758.2441 · Cust. Svc: 800.432.1000

Bank of America, FL8-129-01-01
355 SW Bentley Place, Lake City, FL 32025

Bank of America Advantage

ALBERTA L. FRANK
386-752-9465
P.O. BOX 897
LAKE CITY, FL 32056-0897

08-99 #11-100203950 4

876

63-4/630 FL
16

Date 3-8-06

Pay to the order of Jax Tec. Telecom, Inc. $ 22 48

Twenty-two and 48/100 Dollars

Security features are included. Details on back.

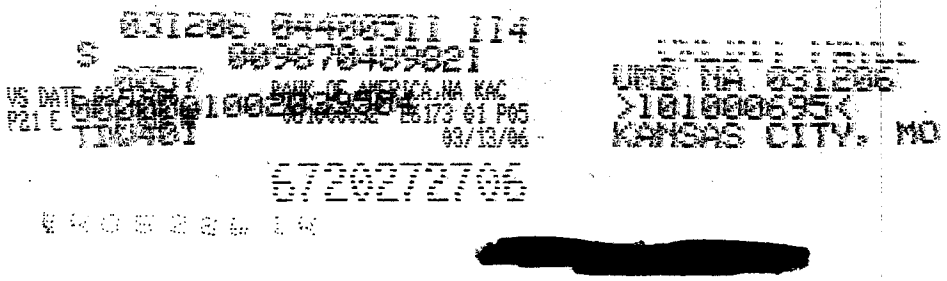
Bank of America

ACH R/T 063100277

Memo 18.28 + 4.20

Advantage
Alberta Frank

⑆063000047⑆ [redacted] 0876 ⑈000000224 8⑈



ORIGINAL

Lawson Lamar
State Attorney

Orange County
Consumer Fraud Unit

415 North Orange Avenue
Post Office Box 1673
Orlando, Florida 32802
407-836-2490

Richard T. Crotty
Orange County
Mayor

Carlos J. Morales
Consumer Investigator
Supervisor

DISTRIBUTION CEN
06 OCT 25 AM 7:01

October 20, 2006

060000

Public Service Commission
2540 Shumard Oaks Blvd.
Div. of Records
Tallahassee, FL 32399

RECEIVED-FPSC
06 OCT 25 AM 8:14
COMMISSION
CLERK

RE: ORANGE CO. UTILITIES

Dear Sir or Madam:

The enclosed complaint was received by this office and appears to fall within your jurisdiction. We are, therefore, referring this matter to you for whatever action you deem appropriate. A copy of this referral letter is being forwarded to the consumer so they may contact you with any further information.

Thank you for your cooperation in this matter and be assured of our cooperation in all matters of mutual concern.

Sincerely,

Carlos J. Morales
Chief, Investigative Unit

CJM:rh
Enclosure
cc: consumer

CMP ____
COM ____
CTR ____
ECR 1
GCL 1
OPC ____
RCA ____
SCR ____
SGA ____
SEC ____
OTH ____

CONSUMER COMPLAINT FORM
(Please print or type)

Date: 10-17-06

(Do NOT write on this line)

PERSON FILING THE COMPLAINT

Name: Cynthia Tedrow
Address: 7824 Chediston Circle
City/State/Zip: Orlando, FL 32817
Telephone: Home 407-678-1784
Work 407-804-2625
Email Address: Cinders9010@aol.com

BUSINESS OR PERSON COMPLAINT IS AGAINST

Name: Orange Co. Utilities
Address: 9150 Curry Ford Rd.
City/State/Zip: Orlando, FL 32825-7600
Contact Person: Vince Sandy 407-275-3822
Telephone: 800-626-1140 407-836-5515

Dollar value loss $141.63 Product/Service Involved WATER
(List only your loss. Do not include any amounts for interest, phone calls, costs incurred to solve the problems, etc...)

Did you sign any papers? NO When?
(If so, attach copies. Please do not send originals. Also, include copies of cancelled checks, invoices, advertisements, etc...)

Did you complain to the business? yes When? 7-20-06

Have you filed suit in Small Claims Court or contacted a private attorney? NO

When? Attorney's name

Where did the contract/transaction/sale occur?

What would satisfy your complaint? Credit for $141.63 + NO Recurring $21.85 per month Additional Charge

Explain your complaint fully, giving events in the order in which they occured. It is important that you list the date of the original transaction and any other dates you can recall. If you need more space, attach additional paper. Do not use the back of this form.

I have lived in my small home for 13 years. I have always been conservative when it comes to utilities, and my water bill was consistently $32.70/mo unless I had a leak which I had fixed over the year. I have had a tiny pool on & off but not for a while. In July I received a bill for $174.73. I was flabbergasted as I have No pool, No sprinkler system, do not water my dead lawn & there was NO reason for this. I ordered an Audit. Then Sandy & Vince was sent out to do the audit. I had No leaks at all but Vince decided to replace the meter which he found defective. My bills are now $32.70 once again. But they have decided to charge me an extra $21.85 for their new meter per MONTH! I did not use the 10 K GAL in July & should not have to pay for that. Customer service said "PAY OR we turn it OFF." I know 8 people w/ twice the size house, a pool a timed sprinkler system + huge green lawns that only pay less than $30/month for water!!! ✡

DO YOU AUTHORIZE OUR OFFICE TO MAIL A COPY OF THE COMPLAINT TO THE BUSINESS? YES X NO___*.

*If you choose NO, an investigation will not be initiated and the complaint will be kept on file for information purposes only.

I wish to file this complaint with your office. I understand that you do not conduct litigation in matters which involve private disputes. I am, however, filing this complaint to notify your office of this complaint and for any other assistance you may be able to provide.

✡ I am paying for the water wasted by those people.

Date: 10-17-06

Cynthia L. Sedrow
(Signature of person complaining)

Return Completed Original Form To:

Orange County Consumer Fraud Unit
415 N. Orange Ave.
Orlando, FL 32801

Mailing Address:
P.O. Box 1673
Orlando, FL 32802

ORANGE COUNTY GOVERNMENT
FLORIDA

ORANGE COUNTY UTILITIES
9150 CURR[illegible]ORD ROAD
ORLANDO, FLORIDA 32825-7600

CUSTOMER INQUIRIES: (407) 836-5515
TOLL FREE: (800) 626-1140
24 HOUR EMERGENCY: (407) 836-2777

CYNTHIA TEDROW
[illegible]count Number:
Billing Date: 7/5/2006
Due Date: 7/20/2006

July 2006 has arrived, bringing you several new billing enhancements! Please look at the enclosed stuffer for tips on how to read your bill. Keep in mind, during the months of July and August, the number of days used to calculate your bill may vary.

Account Summary as of July 5, 2006	
Previous Balance	$103.99
Payments Received	0.00
Balance Forward	103.99
Current Charges	70.74
Total Amount Due	**$174.73**
Past Due Balance	
Pay Immediately to Avoid Disconnection	

Service Address: 7824 CHEDISTON CR, ORLANDO, FL 32817

Water Residential

Meter Number	Current Meter Read		Previous Meter Read		Water Usage	Usage Indicator
	Date	Reading	Date	Reading		
93299697F	7/4/2006	841	5/25/2006	831	10 KGAL	+

(KGAL = 1,000 Gallons)

Service from 5/26/06 - 7/4/06

Meter Fixed Charge $7.51 (for 40 of 30 days)		7.51
First 4 KGAL at $0.92 per KGAL	3.68	
Next 6 KGAL at $1.23 per KGAL	7.38	
Consumption Summary Charge		11.06
Public Service Tax		1.86
Subtotal		**$20.43**

ORANGE COUNTY GOVERNMENT
FLORIDA

RETURN THIS PORTION WITH PAYMENT - DO NOT SEND CASH THROUGH MAIL
Please make checks payable to Orange County Utilities

Orange County Utilities
PO Box 312
Orlando, FL 32802-0312

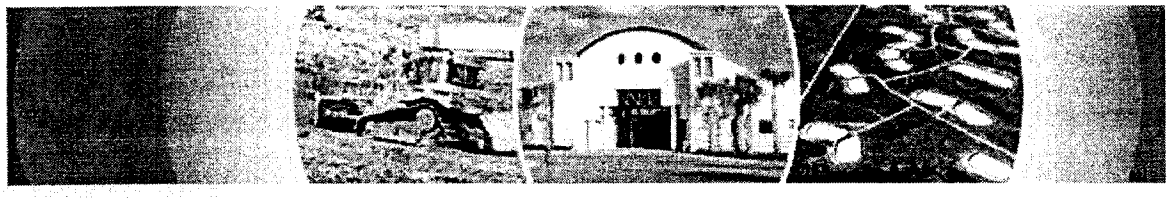
Account Number	Total Due	Due Date	Amount Paid
	$174.73	07/20/2006	

0000021115 **********AUTO** 5-DIGIT 32817
CYNTHIA TEDROW
7824 CHEDISTON CIR
ORLANDO FL 32817-2439

SEND PAYMENTS TO:
Orange County Utilities
PO Box 850001
Orlando, FL 32885-0074

PIN
328170

Orange County Government, Florida



Orange County Utilities

EXPLORE

Orange County Home Page

Utilities Home Page

Previous Bills

PERSON NAME: TEDROW,CYNTHIA
SERVICE ADDRESS: 7824 CHEDISTON CR
ACCOUNT NUMBER: 3647086200

Previous Period's Balance:	$0.00	Last Bill Date:	06/20/2006
Total Payments:	$0.00	Last Payment Date:	
Total Adjustments:	$103.99	Bill Date:	07/05/2006
Total Bill Corrections:	$0.00		
New Charges:			
Wastewater Residential:	$50.31		
Water Residential:	$20.43		
Total Current Billing Charges:	$70.74		
Ending Balance This Period:	$174.73	**Due Date:**	**07/20/2006**

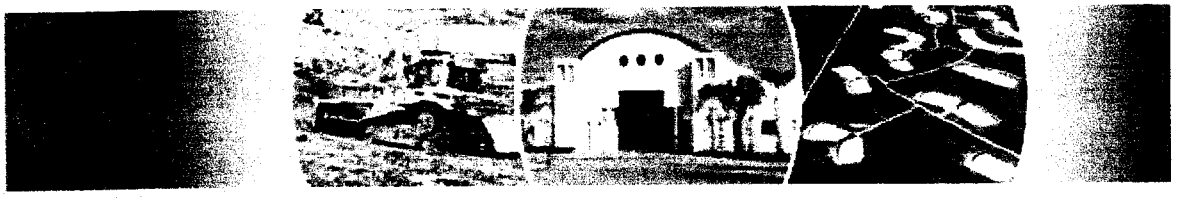
View previous bills by bill date: 07/05/2006 Submit

Return to Account Summary Page | Log Out

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If you experience *technical* difficulties with this page, please contact Orange County webmaster. For all other questions and comments, please contact Government Service Center. Thank you.

Orange County Government, Florida



Orange County Utilities

EXPLORE

Orange County Home Page

Utilities Home Page

Previous Bills

PERSON NAME: TEDROW,CYNTHIA
SERVICE ADDRESS: 7824 CHEDISTON CR
ACCOUNT NUMBER: 3647086200

Previous Period's Balance:	$32.70	Last Bill Date:	08/02/2006
Total Payments:	($33.19)	Last Payment Date:	08/30/2006
Total Adjustments:	$0.49	Bill Date:	08/31/2006
Total Bill Corrections:	$0.00		
New Charges:			
Wastewater Residential:	$23.47		
Water Residential:	$9.23		
Total Current Billing Charges:	$32.70		
Ending Balance This Period:	$32.70	**Due Date:**	**09/15/2006**

My bills were ALWAYS this $32.70

View previous bills by bill date: 08/31/2006 Submit

Return to Account Summary Page | Log Out

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If you experience *technical* difficulties with this page, please contact Orange County webmaster. For all other questions and comments, please contact Government Service Center. Thank you.

ORANGE COUNTY UTILITIES
9150 CURR[illegible]ORD ROAD
ORLANDO, FLORIDA 32825-7600

CUSTOMER INQUIRIES: (407) 836-5515
TOLL FREE: (800) 626-1140
24 HOUR EMERGENCY: (407) 836-2777

CYNTHIA TEDROW
[illegible]ount Numbe..
Billing Date: 10/6/2006
Due Date: 10/23/2006

Visit our new Website at http://www.ocfl.net/PayUtilities/

Account Summary as of October 6, 2006	
Previous Balance	$32.70
Payments Received	-32.70
Balance Forward	0.00
Current Charges	54.55
Total Amount Due	**$54.55**

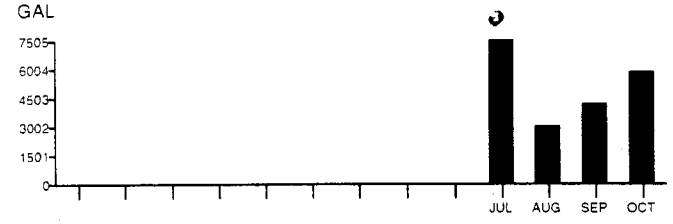
Service Address: 7824 CHEDISTON CR, ORLANDO, FL 32817

Water Residential

Meter Number	Current Meter Read		Previous Meter Read		Water Usage	Usage Indicator
	Date	Reading	Date	Reading		
93299697F	10/6/2006	854	8/31/2006	847	7 KGAL	+

(KGAL = 1,000 Gallons)

Water Usage At-A-Glance



Water Residential
Service from 9/1/06 - 10/6/06

Meter Fixed Charge $5.63		5.63
Meter Fixed Charge $1.16 (for 6 of 30 days)		1.16
First 3 KGAL at $0.92 per KGAL	2.76	
First 1 KGAL at $0.95 per KGAL	0.95	
Next 3 KGAL at $1.23 per KGAL	3.69	
Consumption Summary Charge		7.40
Public Service Tax		1.42
Subtotal		**$15.61**

ORANGE COUNTY GOVERNMENT FLORIDA

Orange County Utilities
PO Box 312
Orlando, FL 32802-0312

RETURN THIS PORTION WITH PAYMENT - DO NOT SEND CASH THROUGH MAIL
Please make checks payable to Orange County Utilities

Account Number	Total Due	Due Date	Amount Paid
	$54.55	10/23/2006	

0000017877 **********AUTO** 5-DIGIT 32817
CYNTHIA TEDROW
7824 CHEDISTON CIR
ORLANDO FL 32817-2439

SEND PAYMENTS TO:
Orange County Utilities
PO Box 850001
Orlando, FL 32885-0074

ORANGE COUNTY GOVERNMENT FLORIDA

Water Audit

Reason for Audit: Customer Request ✓ High Consumption ___ Billing Dispute ___ Other _____

Customer Name: _____ _____ Date: _____ Time: _____

Account #: _____ _____ Address: _____

Irrg. Mtr.#: _____ Rdg: _____ Previous Rdg: _____ Date: _____

Dom. Mtr.#: _____ Rdg: _____ Previous Rdg: _____ Date: _____

Amount of water used since last meter reading: _____ ADC: _____
(Usage since last reading X# of days = *Average Daily Consumption*)

Irrigation system timer settings: _____

Total minutes _____ X # of days _____ X 20 GPM = _____ GPMTH
(Based on timer settings) *(Gallon per minutes)* *(Gallons per months)*
GPM and GPMTH are estimates irrigation systems may vary

Meter Flow Test (Field)

Meter #: _____ _____
Beginning Reading: _____ _____
1. Hi flow rate %: _____ _____
2. Med flow rate %: _____ _____
3. Low flow rate%: _____ _____
Ending Reading: _____ _____
Average flow rate % : _____

Meter within AWWA* standards _____
(AWWA standard rate for meter flow rate is between 97% - 101.5%)
Recommend to change meter? _____
Recommend flow test at Meter Shop? _____

**American Water Works Association*
(Hi, Med, Low flows divided by 3=Average %)

Findings: _____

Comment/Suggestion: _____

Audit performed by: _____ _____ Phone #: _____

Please contact the above Customer Account Analyst if you have any questions.

57-9 (6/06)

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 OCT 27 PM 2:57
COMMISSION CLERK

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

060000-OT

DATE: October 26, 2006

TO: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

FROM: Sally A. Simmons, Chief of Telecom Arbitrations and Tariffs, Division of Competitive Markets & Enforcement SAS

RE: Request to View Certain Confidential Materials

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CLK; CMP

The coordination and processing of the IXC flow-though filings associated with the 2006 ILEC rate rebalancing filings were recently assigned to Frank Trueblood, Regulatory Analyst II, in the Costing and Pricing Section. This task will require him to view confidential documents that reflect how the IXCs accomplished their flow-through.

Therefore, I request that access to view confidential documents received from these companies be granted to Mr. Trueblood pursuant to Section 11.04, Administrative Procedures Manual. This access will enable him to complete the required duties in a more efficient manner. A copy of Section 11.04.C, Administrative Procedures Manual, has been furnished to this employee, and he understands that all confidential documents are to be reviewed and maintained according to these procedures.

Should you have any questions, I am available to discuss this request with you.

cc: Ms. Kay B. Flynn, Chief of Records,
Division of the Commission Clerk & Administrative Services

✓Ms. Marguerite H. Lockard, Commission Deputy Clerk II,
Division of the Commission Clerk & Administrative Services

Ms. Della E. Fordham, Administrative Assistant II,
Division of Competitive Markets & Enforcement

ORIGINAL

DISTRIBUTION CENTER
06 OCT 26 AM 7:19

Orange County
Consumer Fraud Unit

Lawson Lamar
State Attorney

415 North Orange Avenue
Post Office Box 1673
Orlando, Florida 32802
407-836-2490

Richard T. Crotty
Orange County
Mayor

Carlos J. Morales
Consumer Investigator
Supervisor

October 20, 2006

060000

RECEIVED-FPSC
06 OCT 26 AM 8:48
COMMISSION
CLERK

Public Service Commission
2540 Shumard Oaks Blvd.
Div. of Records
Tallahassee, FL 32399

RE: BELLSOUTH

Dear Sir or Madam:

The enclosed complaint was received by this office and appears to fall within your jurisdiction. We are, therefore, referring this matter to you for whatever action you deem appropriate. A copy of this referral letter is being forwarded to the consumer so they may contact you with any further information.

Thank you for your cooperation in this matter and be assured of our cooperation in all matters of mutual concern.

Sincerely,

Carlos J. Morales
Chief, Investigative Unit

CJM:rh
Enclosure
cc: consumer

CMP _____
COM _____
CTR _____
ECR 1
GCL 1
OPC _____
RCA _____
SCR _____
SGA _____
SEC _____
OTH _____

11 de octubre de 2006

Atención: Sr. Carlos Morales

Consumer Services Tel: 407-836-2490
250 North Orange Avenue
P. O. Box 1673
Orlando, FL. 32802-1673

Estimado Sr. Morales:

Le estoy enviando copia de comunicación que le fuera enviada con Acuse de Recibo a la Co. Bellsouth.

La carta se explica por sí sola. Soy una persona mayor y en los 63 años de vida nunca había tenido problemas con una compañía de teléfonos como Bellsouth.

Si en la Comunidad que vivo existiera otra compañía cambiaría, pero lamentablemente ellos (la Co. Bellsouth) compran o contratan el area donde va haber muchas casas. De cualquier manera tiene que estar con ellos.

Gracias a su Departamento que Dios les de mucha salud para que sigan ayudando a los consumidores.

Cordialmente,

Fredeswinda R. Esclusa

Fredeswinda R. Esclusa
1012 Adelphi LN.
Orlando, FL. 32824
Tel: 407-857-0094

Bellsouth
P.O.Box 1857
Alpharetta, GA. 30023-1857

ATENCION: LUISA PAGAN

10 de octubre de 2006

ASUNTO: Cambio de Servicios telefónicos.

Estimados Señores:

Me siento molesta con su compañía Bellsouth y hago un desgloze detallado desde el comienzo con ustedes.

Somos unas personas mayor de edad. Gastamos mucho en medicinas. Mi esposo padece alta preción y es diabético tipo 2.

Comenzé a tener problemas con su Compañia desde:

**** Julio -9-2004 = Primera vez que tengo problemas con compañia de teléfono.

1)- Agosto-9-2004 = Hablé con la Sra. Aragon solicitando servicio de Internet. (Computadora que mi hijo me regalo). Le solicite a la Sra. Aragon el más económico posible. Llego el 13 de agosto 2004. El equipo Moderm.

Agosto-14-2004 = Día del Huracán Charly no tenía servicio de teléfono. Estube 43 días sin teléfono.

2)- Cuando enviaron el Modem internet despues de 3 temporales y 3 semanas sin servicio de teléfono. El Moderm que enviaron NO SERVIA. (Mi hijo fue que se comunicó con ustedes.)

3)- Enviaron nuevo equipo.

4)- Luego enviaron otro equipo No solicitado y se tubo que devolver.

5)- Junio-3-2005 = Llamé para protestar por el alto costo de teléfono e internet y para colmo enviaron equipo no solicitado.

6)- Junio-16-2005 = Llame al Tel. 1-800-419-2355 para notificar que NO había solicitado equipo. Pagaba $12.92 y me subió a $27.92. Me atendió Sra. Morales. Veáse Anexo Núm. 1.

7)- Julio-11-2005 = Devolución Equipo Coller ID NO Solicitado Veáse carta 11 de julio 2005 a Innotrac Corp. Anexo Núm. 2.

8)- Diciembre-2005 = Me encontraba pagando :

Por servicio	teléfono	$42.87
"	" internet	$17.92
	Total	$60.79

9)- Enero-2006 = Me vino factura internet por $27.92.

10)- Febrero-2006 = Llamé para que me cancelaran efectivo el 15-abril-2006. Servicio Internet. Hablé con la Sra. Graciela Cuebas. (Factura $56.53) Total. Nota: Envié talonario de mi pensión y copia de Lic. Conducir para ver si como Senior me daban algun descuento. Pero siguió subiendo la cuenta. Orden de baja. Num. CYFX4110.

11)- Marzo-2006 = Me llegó Factura por: $62.60

12)- Abril-2006 = Envie FAX confirmando la cancelación de Internet efectivo el día 15 de abril 2006. Veáse Anexo Núm. 3.

13)- Abril-2006 = Me llego factura por: $79.30.

14)- Mayo-2006 = Me llegó Factura por : $79.62. Veáse FAX enviado copia. Donde envio talonario y Lic. conducir. Ya que el Sr. Manrique me dijo que se los enviara al Fax 1-888-7263223. Todabía diciéndole por favor que el costo de teléfono estaba muy alto para mi condición no podia.

15)- Junio-2006 = Factura por: $79.62. Todabía sale el cobro dandóme de baja el día: 15-Abril-2006.

NOTA: Me llegó Factura por $191.88. Pero fue que hubo una transferencia de residencia. Tube que someterme a un arreglo de pago. No podía pagarlo todo. Hablé con la Sra. González. Le expiqué que las llamadas Comerciales me tenian loca. A todas horas llamadas y para completar me dieron otro servicio que No creo necesario. Con ild Teleservices. por $13.76. Esto es lamentable. Las llamadas Comerciales siguen dándose.

16)- Julio-2006 = Me llego Factura por: $73.51.

Llamo nuevamente para ver como puedo bajar la cuenta. También que sigo teniendo demasiadas llamadas Comerciales. Donde mi esposo enfermo. Como se pdodía quitar este problema. El Sr. Jesús Romero me informa que con el Servicio Básico Plan Completo tenía un ahorro y la factura me llegaría a $55.00 con inpuestos. Cobrando $3.95 que bloquea las llamadas. (Esto NO ES CORRECTO LAS LLAMADAS CONTINUAN).

17)- Agosto- 2006 = Factura llega Por: $72.29.

18)- Septiembre-2006 = Factura llega Por: 62.97

Por este medio, solicito y exijo, que se cambie mi servicio a:

BASICO RESIDENCIAL CON CALLER ID SOLAMENTE .

Antes de emitir este comunicado llamé a la Co. Bellsouth al 1-888-757-6500 para que me dieran la dirección donde enviar este comunicado. Me atendió Vianca Felipe. Le expiqué mi problema lo triste y frustada que me sentía. Siendo persona mayor lo que estaba pasando. Muy gentil me escucho y le dije lo que quería en servicios telefónicos. Me encontraba molesta ya que las anteriores personas de su compañia eran vender y no escuchar. La persona que me atendio me indicó que a partir de hoy a la media noche, tendría nuevo servicio telefónico. Con una mensualidad de $28.00. Dios le preste mucha salud a esta funcionaria que me escuchó. Representantes como estas deben tener esta Co. Bellsouth que escuchan. GRACIAS.

Espero en DIOS que cumplan su palabra. Por Favor.

Soy muy cumplidora en mis pagos.

Cordialmente,

Fredeswinda R Esclusa

Fredeswinda R. Esclusa
1012 Adelphi Ln.
Orlando, FL. 32824
Tel" 407-857-0094

Anexos: 1-2-3.

1 copia Talonario PENSIÓN
1 copia pago Reciente teléfono

cc: Cosumer Service
File

NOTA: Estoy incluyendo cheque pago correspondiente a October 15: $62.97 Account Number 407-0094 394-3142.

file —

ANEXO NUM: 1

Junio - 2005

BELLSOUTH

Account Number
407 857-0094 394 3142

Total Amount Due By June 14: $72.26

▲ Detach & return payment slip with your check, payable to BellSouth in U.S. funds.

Amount Enclosed $ 72.26

☐ Yes! I am interested in BellSouth® FastAccess® DSL.

X052463 1 AV 0.278 YM052303.212

FREDESWINDA
RIOS-ESCLUSA
14533 HUNTCLIFF PARK WAY
ORL FL 32824-5675

P.O. Box 1262
Charlotte, NC
28201-1262

1-800-419-2355

407985700943943140715501010070100000000000000000000007226

* 6-3-2005 → Llamé a BellSouth para protestar por el alto costo. Para Estoy molesta es mucho Como me enviaron Equipos que NO Solicité.

el pago por internet.

Soy una Senior Citizen y es alto el costo.

Tan pronto termine el Contrato FAVOR CANCELAR (En Oct 25 2005)

Sra Esclusa
6-3-2005

Cuando termine el Contrato que Vence En Octubre-25-2005

→ Cancelar ←

Sra Esclusa

RAMON ESCLUSA
FREDESWINDA R. ESCLUSA
14533 HUNTCLIFF PARKWAY
ORLANDO, FL 32824

63-943/631 609
16135586

1213

6-3-2005 Date

Pay to the order of Bellsouth $72.26

Seventy two dollars 26 Dollars

Silver Service XXX

SouthTrust Bank

For 407-857-0094-394-3142 Fredeswinda Esclusa

MP

ANEXO NUM. 2

11 JULIO 2005

INNOTRAC CORPORATION
CALLER ID DEPT. 420
6655 Sugarloaf Parkway
Duluth, Georgia 30097-4916

REF: Return Caller ID (16015-10036)

NO ORDER (DEVOLUCION EQUIPO COLLER ID NO SOLICITADO)

ESTOY ENVIANDO EQUIPO NO SOLICITADO.

EL DIA 3 DE JUNIO 2005, LLAME PARA RECLAMAR EL ALTO COSTO Y SUBIDA DEL SERVICIO Y PARA COLMO ME ENVIARON EQUIPO NO SOLICITADO

PUEDEN BUSCAR LA LLAMADA SI ASÍ ES QUE LA GRABAN.

SOY UNA PERSONA MAYOR Y ESTO ME OCASIONA MUCHAS MOLESTIAS.

RESPETUOSAMENTE,

Fredeswinda R. Esclusa

Fredeswinda R. Esclusa
14533 Huntcliff Park
Orlando, FL. 32824

cc: Consumer Services - Complaints

File

ANEXO NUM. 3

Fax

MAIL BOXES ETC.

1970 E. OSCEOLA PKWY
Kissimmee Fl. 34743
Ph: (407)348-7266
Fax:(407)348-7966

To: Bellsouth

Company:

Fax: 1-888-726-3223

Date: 4-13-2006

From: Fredeswinda Rios

Pages: 1

Account Number:
Re: 407-857-0094-394312

Phone: 407-857-0094

ORLANDO, FL. 32824-5675

✓ Urgent ___ For Review ___ Please Replay ___ Please Comment

Message:

LE estoy enviando los documentos de mi talonario y copia de Lic. conducir. PARA TRAMITE correspondiente. Además confirmar, quiero darme de baja de la INTERNET Efectivo el día 15 de Abril de 2006. Orden de BAJA VIA TELEFÓNICA

MAKING BUSINESS EASIER # CYFX 4110. → Confiracion Orden de Baja

NOTARY SERVICES
COPY SERVICES
MAIL BOX SERVICES
USPS SERVICES
BUSINESS PRINTING
PASSPORT PHOTOS

FAX SERVICES
OFFICE SUPPLIES
PACKING & SHIPPING
PRIORITY & EXPRESS MAIL
FEDEX
UPS

ANEXO: Copias
- Talonario
- Lic. Conductor

Copia de Mi Talonario Pension

Sept. 06

UNIVERSIDAD DE PUERTO RICO Sistema de Retiro **www.retiro.upr.edu** **DEPOSITO DIRECTO**

SALARIO	DEDUCCIONES	NETO	NUM.DE DEPOSITO	FECHA
****386.47	*****2.00	****192.24	* 00004910	SEP-2006

PRIMERA QUINCENA	CONT.RETENIDA	PLAN MÉDICO	PRÉSTAMO PERSONAL	PRÉSTAMO HIPOTECARIO
****192.23				

DEDUCCIONES DE ESTE PERIODO

ASOC PENS GO 2.00

FECHA PROXIMOS PAGOS:
SEP-28-2006
OCT-13-2006
OCT-27-2006

ACUMULADOS

SALARIO	CONT.RETENIDA	COMPROBANTE	LIBRAMIENTO	CUENTA
3,478.23	.00	N0109075	0003	0058502110

NUM.DE SEGURO SOCIAL	NOMBRE DEL EMPLEADO	
XXX-XX-9355	FREDESWINDA RIOS ESCLU	

REMOVE DOCUMENT ALONG THIS PERFORATION

MOORE SECURITY MARK™ • MOORE SECURITY MARK™ • MOORE SE

UNIVERSIDAD DE PUERTO RICO
SISTEMA DE RETIRO
Río Piedras, Puerto Rico

No. **00004910**

DEPOSITO DE PENSIÓN

FECHA	NUM. DE DEPOSITO	
09-14-06	00004910	$*****192.23
09-28-06		$*****192.24

CANTIDAD DEPOSITADA

A LA CUENTA XXXXXXXXXXXXX-5868
WACHOVIA BANK N.A.

NO-NEGOCIABLE

EVITARA LA PERDIDA DE SU CORRESPONDENCIA SI INFORMA POR ESCRITO EL CAMBIO DE SU DIRECCION RESIDENCIAL O POSTAL.

* Jago Reuien Mes Dept-

1484

63-751/631
BRANCH 51257

RAMON ESCLUSA
FREDESWIND R ESCLUSA
1012 Adelphi Lane
Orlando, FL 32824

10-10-2006
Date

Pay to the order of BellSouth $ 62.97

Sixty Two dollars 97/xxx Dollars

WACHOVIA
Wachovia Bank, N.A.

For 407-0094-394-3142

Fredeswinda R Esclusa

▲ Detach & return payment slip with your check, payable to BellSouth in U.S. funds.

BELLSOUTH

Total Amount Due By October 15: $62.97

Amount Enclosed $ 62.97

Account Number
407 857-0094 394 3142

☐ Yes! I am interested in BellSouth® FastAccess® DSL.

X046457 1 AV 0.293 Y1092303.196

FREDESWINDA
RIOS-ESCLUSA
1012 ADELPHI LN
ORLANDO FL 32824-5268

P.O. Box 1262
Charlotte, NC
28201-1262

407985700943943141116601010070100000000000000000000006297

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC
06 NOV -1 PM 3:21
COMMISSION CLERK

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

060000-OT

DATE: November 1, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Michael G. Cooke, General Counsel MGC
Beth W. Salak, Director, Division of Competitive Markets & Enforcement BWS for BWS

RE: Access to Confidential Documents - BellSouth developer agreements

The following staff have need to access and should be permitted access to confidential document **09988-06 (10/30/06)**:

Rick Moses
Ray Kennedy
Chris Moore
Patrick Wiggins
Lee Eng Tan
Victor McKay

FPSC, CLK - CORRESPONDENCE
__Administrative__Parties__Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: —

ORIGINAL

060000

WILLIAM A. COOPER 319932/F11166
WALTON CORRECTIONAL INSTITUTION
691 WWII VETERANS LANE
DEFUNIAK SPRING FL 32433

Provided to Walton CI
On 10-31-06 for Mailing
Date
Inmate's Initials

SIR: I am WRITTING the P.S.C. to INFORM you of A company that HAS commited FRAUD. The NAME of the COMPANY i.s. US WATER services corperation & this COMPANY owns AND operates A number of water PLANTS IN FLA. USW HAS REPLACED A NUMBER PARTS, TANKS, PUMPS, meters, pipes, VALVES extra, THAT DID NOT need to Be REPLACE. They would TAKE A LOAN OUT to replace these ITEMS AND ORDER the PARTS ONly to US these PART OR ITEMS ON A JOB NOT OWED BY USW. They WOULD" Sell the PARTS meters pumps to CLEINTS that would need these for other PRIVATE UTILITIES. By Doing this IT WOULD Appear THAT The US WATER UTILITIES WOULD HAVE A LARGE CAPITAL (over HEAD) TO operate. THey will ALSO CHARGE A HIGH PRICE for operations By one of there own operators AT U.S.W. Along with Any maintanace preformed AT All of the WATER TREATMENT PLANTS owned By US WATER the PRICES Are Run up to show A HIGH over HEAD OR operating COST. BY Doing This US WATER Applies AND gets IT WATER RATES increased. This is Also Done By ~~LoBBing~~ LoBBying from ~~E~~Engineer's ON STAFF THAT ARE RETIRED from FLA D.E.P. All of these ACCUSATIONS CAN Be BACKED up By FACTS. US WATER ALSO HAS TWO SETS OR RECORDS

One set is for the Review By the Public Services commission. This set is the one the Show that there is A High over Head for upGrade and operating The other Shows the true value of the water treatment plant. It was The Reason the President & Vise Pres. At USWater, own A number of these water plants (Gary Detmer; Victoria Penick) It was said A US water that "you can't Fire yourself!"
I Have This knowledge about US water Service Because I was The Region manager for 2.5 yrs.

I Hope that you will pass this on for ~~FRAUD~~ FRAUD Investigation to the State and Federal Attorneties.

I await to Hear form you on the Attorneties that will Look into these numerous counts of FRAUD.

RECEIVED-FPSC
06 NOV -2 AM 10:12
COMMISSION CLERK

Respectfully
William A. Cooper

 COPY

William J Cooper 319932 F1116C
WALTON CORRECTIONAL INSTITUTION
691 WW II VETERANS LANE
DeFuniak Springs FL 32433

GMF BAY COUNTY
FL 324 2 L
01 NOV 2006 PM

PUBLIC SERVICES COMMISSION/CLERK
2540 SHUMARD OAKS BLVD
TALLAHASSEE FL 32399

32399+7013-40 C001

Provide to Walton CI for Mailing
Date
Inmate's Initials

Kimberley Pena

060000

From: Donna Jones
Sent: Monday, November 06, 2006 4:39 PM
To: Commissioners & Staffs; All PSC Staff
Subject: Press Releases

The following press releases were distributed this afternoon, 11/06/06, and are now available on the PSC website:

Customer Meeting Set for Lake Placid Utilities, Inc.
http://www.psc.state.fl.us/home/news/index.aspx?id=184

PSC Expands Online Application for Link-Up Florida and Lifeline
http://www.psc.state.fl.us/home/news/index.aspx?id=185

State of Florida

Public Service Commission

NEWS RELEASE

11/6/2006 **Contact: 850-413-6482**

PSC Expands Online Application for Link-Up Florida and Lifeline

TALLAHASSEE — Customers with 19 different telephone companies are now able to apply for the Lifeline and Link-Up Florida assistance programs electronically through the Florida Public Service Commission (PSC) web site.

"Electronic enrollment makes the application process easier and faster for both eligible consumers and organizations assisting in the enrollment effort," said PSC Chairman Lisa Polak Edgar.

To access the application, consumers should go to www.floridapsc.com and click on "Link-Up and Lifeline" on the right hand side of the page. Individuals should then click on "Apply On-line" and follow the instructions to submit an application electronically. Applications are available in English, Spanish, and Creole. The PSC has implemented a secure Web site with data encryption for these records.

The following service providers are accepting electronic enrollments via the PSC Web site:

- Alltel Wireless
- American Dial Tone
- BellSouth
- Budget Phone, Inc.
- Embarq
- Frontier Communications
- GT Com
- ITS Telecommunications
- Knology, Inc.
- Midwestern Communications
- NEFCOM
- Nextel
- Nexus Communications
- Smart City Telecom
- Sprint PCS
- TDS Telecom
- Verizon
- Vilaire Communications
- Windstream

###

CORRESPONDENCE

Progress Energy

060000

Paul Lewis, Jr.
Director, Florida Regulatory Affairs
(850) 222-8738

RECEIVED-FPSC
06 NOV 13 PM 1:03
COMMISSION
CLERK

November 13, 2006

VIA HAND DELIVERY

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard, Room 110
Tallahassee, Florida 32399-0850

Re: FERC Electric Quarterly Report Filing

Dear Ms. Bayó:

Enclosed is a paper copy of the Electric Quarterly Report for the third quarter of 2006 filed at FERC by Florida Power Corporation d/b/a Progress Energy Florida, Inc. (PEF). PEF is required to file this information each quarter in response to FERC Order No. 2001. This report was filed electronically at FERC on October 30, 2006.

Please contact me if you have any questions or need additional information.

Sincerely,

Paul Lewis, Jr.

PL:cas
Enclosure

cc: Javier Portuondo

Progress Energy Florida, Inc.
106 E. College Avenue
Suite 800
Tallahassee, FL 32301

Susan D. Ritenour
Secretary and Treasurer
and Regulatory Manager

Energy Place
Pensacola, Florida 32520-0781

Tel 850.444.6231
Fax 850.444.6026
SDRITENO@southernco.com

ORIGINAL
CORRESPONDENCE

DISTRIBUTION CENTER
06 NOV 16 AM 7:20

GULF POWER
A SOUTHERN COMPANY

RECEIVED-FPSC
06 NOV 16 AM 9:15
COMMISSION
CLERK

November 15, 2006

060000

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

Attached for official filing are an original and fifteen copies of the biennial report of Gulf Power Company prepared in response to the Federal Energy Regulatory Commission's Rules implementing Section 210 of PURPA (18 CFR Part 292, Subsection 292.302).

Sincerely,

Susan D. Ritenour (lw)

lw

Attachment

cc w/o attachment: Federal Energy Regulatory Commission
Magalie R. Salas

CMP _____
COM _____
CTR _____
ECR _____
GCL All
OPC _____
RCA _____
SCR _____
SGA _____
SEC _____
OTH Correspondence

Kimberley Pena

060000

From: Donna Jones
Sent: Monday, November 20, 2006 11:45 AM
To: Commissioners & Staffs; All PSC Staff
Subject: PSC Receives Award for Diversity Efforts

A news release was distributed to daily and weekly newspapers this morning, 11/20/06, and is now available on the PSC website:

http://www.psc.state.fl.us/home/news/index.aspx?id=192

State of Florida

Public Service Commission

NEWS RELEASE

11/20/2006 **Contact: 850-413-6482**

PSC Receives Award for Diversity Efforts

TALLAHASSEE — The Florida Public Service Commission (PSC) was recognized last week for promoting utility involvement in Florida's supplier diversity program and for its ongoing commitment to Florida's small businesses.

The Office of Supplier Diversity (OSD) Director's Award was given for an April 2006 Commission workshop focusing on the relationship between Florida's investor-owned utilities and the state's small businesses. The Commission identified ways in which investor-owned utilities contribute to economic development in the state as well as their efforts to purchase services from small business owners. The award was presented at the OSD Matchmaker Conference and Trade Fair held in Orlando, November 15-17.

"Economic development should be encouraged wherever possible," Commissioner Isilio Arriaga said. "Our efforts to bring the small businesses and utilities together help balance social justice issues with those that make good business sense."

OSD hosts the annual Matchmaker Conference and Trade Fair to help minority vendors connect with state purchasing offices. The conference is recognized as Florida's signature event for minority and women business entrepreneurs, providing a forum for minority businesses, state purchasing officers, and private industry to share ideas and develop partnerships. More than 700 people participated in this year's event featuring 130 exhibitors and 200 companies seeking to purchase goods and services from eligible, certified vendors.

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Kimberley Pena

060000

From: Donna Jones
Sent: Wednesday, November 29, 2006 4:41 PM
To: Commissioners & Staffs; All PSC Staff
Subject: Annual Telecommunications Report Shows Wireless Trend

A news release was distributed to the daily newspapers this afternoon, 11/29/06, and is now available on the PSC web site: http://www.psc.state.fl.us/home/news/index.aspx?id=196

Donna Jones
Office of Public Information
Public Service Commission
Telephone: 413-6656, Intercom 431

State of Florida

Public Service Commission

NEWS RELEASE

11/29/2006 **Contact: 850-413-6482**

Annual Telecommunications Report Shows Wireless Trend

TALLAHASSEE — The Public Service Commission (PSC) will deliver its annual Report on the Status of Competition in the Telecommunications Industry (Report) to the governor and state legislature on December 1. Based on data requests sent to 406 telecommunications companies operating in Florida, the Report shows industry trends during the past year.

This year's Report is the first one to document the growing impact of wireless service and Voice over Internet Protocol (VoIP) on the telecommunications market in Florida. Residential access lines decreased across the state while the number of wireless telephones grew to more than 12.5 million. Florida also has an estimated 662,000 VoIP customers. The Report's data, compiled and analyzed by the PSC staff, indicate that competition is working to provide additional choices for consumers.

"The substitution of wireless for wireline service shows the evolving competitive market for voice communications in our state," commented PSC Chairman Lisa Polak Edgar. Although wireless, VoIP, and broadband are expanding sectors in the telecommunications market in Florida, these services are not subject to the PSC's jurisdiction.

The Report on the Status of Competition in the Telecommunications Industry is available on the PSC website www.floridapsc.com

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COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

06 DEC -7 AM 10:08
COMMISSION CLERK

Public Service Commission

December 6, 2006 060000

Mr. Robert M. Halleen
2237 Big Cypress Blvd.
Lakeland, FL 33810

Re: Application for increase in water and wastewater rates in Polk County by Cypress Lakes Utilities, Inc.

Dear Mr. Halleen:

In correspondence to staff, you requested the identification of the source of the data I use in my rainfall analyses. I obtain rainfall data from the Southeast Regional Climate Center (SERCC), housed in Columbia, South Carolina. The SERCC is one of six regional climate centers in the United States. Overall direction of the Regional Climate Center Program is provided by the National Climatic Data Center and the National Environmental Satellite, Data, and Information Service of the National Oceanographic and Atmospheric Administration. The SERCC serves Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, Puerto Rico and the U.S. Virgin Islands.

Thank you for your interest in this matter. If you have any further questions, please contact me via email at jlingo@psc.state.fl.us, or you may call me at (850).413-6964.

Sincerely,

Jennie Lingo
Economic Analyst
Bureau of Certification, Economics & Tariffs

JL:kb
cc: Division of Economic Regulation (Bulecza-Banks, Rendell, Kummer; Stallcup; Revell, Edwards)
Office of the General Counsel (Fleming)
Office of the Commission Clerk and Administrative Services (docket file)

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

STATE OF FLORIDA

DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

November 20, 2006

Ms. Nancy Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, Florida 32301-1556

Re: Return of Confidential Document to the Source (Undocketed)

Dear Ms. Sims:

Commission staff have advised that Confidential Document No. 09364-06, filed on behalf of BellSouth Telecommunications, Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Kay Flynn
Chief of Records

KF:mhl
Enclosure

cc: Beth Salak, Division of Competitive Markets and Enforcement
Lee Eng Tan, Office of the General Counsel

RECEIVED _____ DATE 12/8/06

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

060000-OT

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP

DATE: December 5, 2006

TO: Kay Flynn Chief, Bureau of Records

FROM: Beth Salak, Director, Competitive Markets and Enforcement

RE: Request to Review Confidential Documents

Pursuant to the Commission's Administrative Procedure Manual, Chapter 11.04(C)(4)(b), I request that Carl Vinson, Lisa Harvey, and Dale Mailhot be allowed access to documents filed by BellSouth in response to staff's requests for information regarding allegations of unethical sales practices stemming from a July 22, 2006 complaint filed by Cathy Cannivet. This confidential information will be treated in accordance with Florida Statutes and the Commission's APM. (COM. DN 08808-06)

cc: Dale Mailhot
Lisa Harvey
Carl Vinson

RECEIVED-FPSC
06 DEC -5 PM 4:25
COMMISSION
CLERK

ORIGINAL 060000

DISTRIBUTION CENTER
06 DEC -8 AM 7:31
RECEIVED-FPSC

06 DEC -8 AM 9:22
COMMISSION CLERK

OKALOOSA ISLAND LEASEHOLDERS ASSOCIATION, INC.
P.O. BOX 8116
FORT WALTON BEACH, FL 32548

December 5, 2006

To: The Members of The Board of County Commissioners, Okaloosa County, Acting as the Governing Body for the Okaloosa Island Services Benefit Unit (MSBU)

In a recent review and study of the audit trails of the Okaloosa Island MSBU Department 1602, it was found that from September 30, 2004 through September 30, 2006 there was a charge and payment of $8,093.51 to Gulf Power for electric services to pumps that were destroyed in hurricane Ivan. As a result of this loss of MSBU funds a meeting was held on November 9,2006 with Ms. Sandy Sims, District Manager of Gulf Power. The conclusion of Gulf Power, as noted in the enclosed letter, demonstrates these charges would not have been made had the Okaloosa County BCC (the MSBU Governing Body) notified Gulf Power to discontinue the service. Had that been done there would have been a reconnect charge of $27.00 a pump or $729.00 for the 27 pumps vs. the over payment of $8,093.51.

We would like to request that consideration be given for credit to this account. We also are requesting that in the future the Governing Body take action to prevent any further unnecessary charges and loss of funds.

CMP
COM
CTR
ECR 1
GCL 1
OPC
RCA
SCR
SGA
SEC
OTH

Sincerely,

Maryl A. Bednar

Maryl A. Bednar, President, Okaloosa Island Leaseholders Association

cc: Florida Public Service Commission
Ms. Sandy Sims, Gulf Power, District Manager

140 Hollywood Blvd SW
Fort Walton Beach, FL 32548

November 10, 2006

GULF POWER
A SOUTHERN COMPANY

Mrs. Maryl Bednar
President
Okaloosa Island Leaseholders Assoc
721 Sailfish Dr
Fort Walton Beach, FL 32548

Dear Mrs. Bednar:

As I stated in our meeting yesterday, I believe that Gulf Power has handled the billing of the MSBU accounts on Okaloosa Island properly. The customer of record on these accounts is the Okaloosa County BCC, and our records indicate we were never asked to discontinue service to any of these accounts. Therefore, we continued to provide service, read the meters (and even checked the meters) during the periods of zero or low consumption.

I appreciate your diligence in reviewing these accounts. You and Jessica Pfeiffer have spent a lot of time and energy on this, and I hope your association appreciates your dedication to the Leaseholders on Okaloosa Island.

If you have any questions or concerns, please feel free to call me or Jessica.

Sincerely,

Sandy Sims

Sandy Sims
District Manager

Cc: Jessica Pfeiffer Hood, Gulf Power Co
Jim Curry, Okaloosa County
Danielle Slaterpryce, Okaloosa County
Amy Allen, Okaloosa County

Okaloosa Island Leaseholders Association
P.O. Box 8116
Ft Walton Beach,
FL 32548

PENSACOLA FL 325
06 DEC 2006 PM 2 T

Florida Public Service Commissioiner
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

32399+0850

Kay Flynn

060000

To: Ray Kennedy
Cc: Dorothy Menasco; Kimberley Pena; Toni McCoy
Subject: RE: DN 11252-06

Thanks!

From: Ray Kennedy
Sent: Tuesday, December 12, 2006 9:18 AM
To: Kay Flynn
Cc: Dorothy Menasco; Kimberley Pena; Toni McCoy
Subject: RE: DN 11252-06

Based on the info in Dorothy's email below, we should not docket it for a name change. But, I have asked Toni to take a closer look at this. The reason I say not to docket now is that the transaction may never happen (seen these before).

Thus, let's see what Toni determines. Should it need docketing, Toni can request that one be established. She will have to check with the companies first.

From: Kay Flynn
Sent: Monday, December 11, 2006 7:51 AM
To: Ray Kennedy
Cc: Dorothy Menasco; Kimberley Pena
Subject: RE: DN 11252-06

Ray, Dorothy is out today, so pls let me know what you advise!

Thanks.
Kay

From: Dorothy Menasco
Sent: Friday, December 08, 2006 3:47 PM
To: Ray Kennedy
Cc: Kay Flynn
Subject: DN 11252-06

Hi Ray,

I left a voice mail message for you. I have since found out that you are out of the office. I'll put a little bit of detail in this e-mail.

We have received a letter from AmeriVon LLC; AmeriVon Holdings, LLC; Robert B. Segal; and V-Global Communications, Inc. advising of intent to consummate a transaction through which R. Segal and his wholly owned company, V-Global, will acquire 100% of AmeriVon LLC and, on completion of this non-pro forma transfer of control, R. Segal will engage in a pro forma paper transfer of his 100% ownership in AmeriVon to V-Global. Mr. Segal will simultaneously change the name of AmeriVon to V-Global Communications, LLC. They advise all actions will be taken prior to selling any telecommunications services to the public. It goes on to say that since AmeriVon is not currently serving any presubscribed customers, the proposed change of ownership and name change of licensed

entity AmeriVon will not adversely affect either the public or consumer.

AmeriVon LLC is an active IXC, Registration No. TK033.

My question is, do we open a new docket to handle the name change based on the fact that the name change will take place on completion of the non-pro forma transfer of control, or should we wait till the transfer of control has taken place? For "now," I have placed this document in the undocketed matters (DN 11252-06). Please be on the lookout for the letter and advise if a new docket should be opened.

Thank you!

Dorothy

Kay Flynn 060000

To: Toni McCoy
Cc: Dorothy Menasco; Kimberley Pena; Ray Kennedy
Subject: RE: DN 11252-06

Thanks, Toni. We'll stand by.

Kay

From: Toni McCoy
Sent: Thursday, December 14, 2006 10:47 AM
To: Kay Flynn
Cc: Dorothy Menasco; Kimberley Pena; Ray Kennedy
Subject: RE: DN 11252-06

Kay,

It will be a name change, but I have a call into the Consultant to see if they want to do it now or when the transaction is complete. I will send it down for docketing when I know.

Toni

From: Kay Flynn
Sent: Tuesday, December 12, 2006 9:29 AM
To: Ray Kennedy
Cc: Dorothy Menasco; Kimberley Pena; Toni McCoy
Subject: RE: DN 11252-06

Thanks!

From: Ray Kennedy
Sent: Tuesday, December 12, 2006 9:18 AM
To: Kay Flynn
Cc: Dorothy Menasco; Kimberley Pena; Toni McCoy
Subject: RE: DN 11252-06

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Sent: Monday, December 11, 2006 7:51 AM
To: Ray Kennedy
Cc: Dorothy Menasco; Kimberley Pena
Subject: RE: DN 11252-06

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Thanks.
Kay

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Sent: Friday, December 08, 2006 3:47 PM
To: Ray Kennedy
Cc: Kay Flynn
Subject: DN 11252-06

Hi Ray,

I left a voice mail message for you. I have since found out that you are out of the office. I'll put a little bit of detail in this e-mail.

We have received a letter from AmeriVon LLC; AmeriVon Holdings, LLC; Robert B. Segal; and V-Global Communications, Inc. advising of intent to consummate a transaction through which R. Segal and his wholly owned company, V-Global, will acquire 100% of AmeriVon LLC and, on completion of this non-pro forma transfer of control, R. Segal will engage in a pro forma paper transfer of his 100% ownership in AmeriVon to V-Global. Mr. Segal will simultaneously change the name of AmeriVon to V-Global Communications, LLC. They advise all actions will be taken prior to selling any telecommunications services to the public. It goes on to say that since AmeriVon is not currently serving any presubscribed customers, the proposed change of ownership and name change of licensed entity AmeriVon will not adversely affect either the public or consumer.

AmeriVon LLC is an active IXC, Registration No. TK033.

My question is, do we open a new docket to handle the name change based on the fact that the name change will take place on completion of the non-pro forma transfer of control, or should we wait till the transfer of control has taken place? For "now," I have placed this document in the undocketed matters (DN 11252-06). Please be on the lookout for the letter and advise if a new docket should be opened.

Thank you!

Dorothy

Kay Flynn 060000

From: Ray Kennedy
Sent: Monday, December 18, 2006 3:10 PM
To: Toni McCoy
Cc: Kay Flynn
Subject: RE: New filing in undocketed matter

Thanks Toni.

Kay, fyi

-----Original Message-----
From: Toni McCoy
Sent: Monday, December 18, 2006 2:35 PM
To: Ray Kennedy
Subject: RE: New filing in undocketed matter

It was odd. The d/b/a was really a transfer of certificate and the old company is not an active company. I spoke with the new owner and she will be submitting a new application for just SwifTel.

Toni

-----Original Message-----
From: Ray Kennedy
Sent: Tuesday, December 12, 2006 9:32 AM
To: Paula Isler
Cc: Toni McCoy
Subject: FW: New filing in undocketed matter

Please take a look at this. Looks odd to me.

-----Original Message-----
From: Rick Moses
Sent: Monday, December 11, 2006 7:11 AM
To: Ray Kennedy
Subject: FW: New filing in undocketed matter

From: Msanders@psc.state.fl.us[SMTP:MSANDERS@PSC.STATE.FL.US]
Sent: Monday, December 11, 2006 7:10:36 AM
To: Lisa Harvey; Beth Salak; Rick Moses; Sally Simmons; Carolyn Craig; Patti Zellner
Subject: New filing in undocketed matter Auto forwarded by a Rule

DOCUMENT DESCRIPTION = Swiftel, LLC (Franco) - Undated letter requesting records be updated to reflect that Swiftel is now its own entity; also corrects spelling; with attached Articles from State of Florida; advises of current negotiations with BellSouth.

DOCUMENT PATH =
file://L:\PSC\LIBRARY\FILINGS\06\11241-06

Document ID = 11241-06
Document Filed 12/08/06

The filing described above is now available in PDF format, and may also be available in WordPerfect or other formats.

To access it, click on the DOCUMENT PATH link. This will pop up a Windows Explorer window. You will see the PDF (Adobe Acrobat) version; you will also see other versions if they exist. Double-click on the preferred version and the document will open.

If you need to cut/paste/search in the document and find you can't, try later when the reformatted version is available. (For more information, see PDF Tips on the How To menu.)

You can also go to the docket in CMS by triple-clicking on the DOCKET NUMBER, typing ctrl-C to copy, and using the paste icon to paste the docket number into the query line in CMS.

This is an automatically generated e-mail; no response/reply is necessary.

ORIGINAL

MARTINIQUE II

OWNERS' ASSOCIATION, INC.

DISTRIBUTION CENTER
RECEIVED
DEC 18 AM 8:19
FPSC
DEC 18 AM 9:1
COMMISSION
CLERK

060000

December 15, 2006

In regards to: 019-640-6551-001

AT & T
PO Box 78522
Phoenix, AZ 85062-8522

Dear Madam or Sir:

I have on a previous occasion (August 31, 2006) notified you that we do not have long distance service with AT & T. We have been with Bellsouth long distance since 2002 & 2003.

We have also notified the State of Florida Public Service Commission concerning this invoicing. We have submitted a claim with you and the claim number is 124708. We also believe that AT & T owes us for all invoices we have paid since 2002 & 2003 since service was turned over to Bellsouth at that time.

We expect this situation to be resolved immediately or we will be forced to get our law firm involved.

Respectfully,

William F. White
General Manager
Enclosure (1)

cc: State of Florida Public Service Commission
Capitol Circle Office Center
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

CMP 1
COM
CTR
ECR
GCL 1
OPC
RCA
SCR
SGA
SEC
OTH

4100 North Ocean Drive, West Tower Suite 102, Singer Island, FL 33404, 561-848-8208, Fax 561-845-7606

561 848 8208 715 *CSR* E WPB 1FBCL 1
DUPL CUST EXISTS (3) PQFS

-- PIC HISTORY

PIC ACT PIC	CARRIER	PCA,APPL		COMP		BATCH	LINE#/TERM
CBHFQG 0377	BELLSOUTH LONG DISTA	BO,0227	03	0307	03		848-8426
C1XM14 0377	BELLSOUTH LONG DISTA	BO,0227	03	0228	03		845-7606
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		863-9344
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-8208
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-7696
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-5007
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-3866
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-1791
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		845-8150
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		845-7910
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		844-0898
CF6Q1V 0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		842-3292
CDK4L4 0288	AT&T LONG DISTANCE S	BO,1021	02	1025	02		848-7696
CFXK34 0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		863-9344
CFXK34 0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-8208
CFXK34 0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-5007
CFXK34 0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-3866
CFXK34 0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-1791

NOTE:

561 848 8208 715 *CSR* E WPB 1FBCL 1
DUPL CUST EXISTS (3) PQFS

--LPIC HISTORY in state

LPIC ACT	LPIC	CARRIER	LPCA,APPL		COMP		BATCH	LINE#/TERM
CBHFQG	0377	BELLSOUTH LONG DISTA	BO,0227	03	0307	03		848-8426
C1XM14	0377	BELLSOUTH LONG DISTA	BO,0227	03	0228	03		845-7606 — FA
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		863-9344
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-8208
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-7696
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-5007
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-3866
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		848-1791
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		845-8150
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		845-7910
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		844-0898
CF6Q1V	0377	BELLSOUTH LONG DISTA	BO,0214	03	0217	03		842-3292
CDK4L4	0288	AT&T LONG DISTANCE S	BO,1021	02	1025	02		848-7696
CFXK34	0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		863-9344
CFXK34	0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-8208
CFXK34	0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-5007
CFXK34	0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-3866
CFXK34	0288	AT&T LONG DISTANCE S	BO,0513	02	0517	02		848-1791

NOTE:

561 845 7652 606 *CSR* E WPB 1FB 1
DUPL CUST EXISTS (2) PQFS

-- PIC HISTORY

PIC ACT	PIC	CARRIER	PCA,APPL	COMP	BATCH	LINE#/TERM
C77T42	0377	BELLSOUTH LONG DISTA	BO,0425 03	0429 03		845-7730
C77T42	0377	BELLSOUTH LONG DISTA	BO,0425 03	0429 03		845-7652
NBMV3P	UNDC	* UNLISTED CARRIER *	BO,0521 02	0524 02		845-7730
NBMV3P	UNDC	* UNLISTED CARRIER *	BO,0521 02	0524 02		845-7652

NOTE:

561 845 7652 606 *CSR* E WP5 1F3 1
DUPL CUST EXISTS (2) PQFS

--LPIC HISTORY

LPIC	ACTLPIC	CARRIER	LPCA,APPL		COMP		BATCH	LINE#/TERM
C77T42	0377	BELLSOUTH LONG DISTA	BO,0425	03	0429	03		845-7730
C77T42	0377	BELLSOUTH LONG DISTA	BO,0425	03	0429	03		845-7652
NBMV3P	5124	BELLSOUTH TELE.	BO,0521	02	0524	02		845-7730
NBMV3P	5124	BELLSOUTH TELE.	BO,0521	02	0524	02		845-7652

NOTE:

MARTINIQUE II

OWNERS' ASSOCIATION, INC.



State of Florida Public Service Commission
Capitol Circle Office Center
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

4100 North Ocean Drive • Singer Island, FL 33404-3650 C001

Kimberley Pena

060000

From: Donna Jones
Sent: Tuesday, December 19, 2006 11:57 AM
To: Commissioners & Staffs; All PSC Staff
Subject: Press Releases

The following press releases were distributed to the daily newspapers today, 12/19/06, and are now available on the PSC website:

PSC Endorses the National Action Plan for Energy Efficiency
http://www.psc.state.fl.us/home/news/index.aspx?id=204

Ten-Year Site Plans Show Need for Fuel Diversity and Transmission Planning
http://www.psc.state.fl.us/home/news/index.aspx?id=205

State of Florida

Public Service Commission

NEWS RELEASE

12/19/2006 **Contact: 850-413-6482**

PSC Endorses the National Action Plan for Energy Efficiency

TALLAHASSEE — The Florida Public Service Commission (PSC) has endorsed the National Action Plan for Energy Efficiency (NAP). The NAP was developed by more than 50 organizations that were brought together by the U.S. Department of Energy and the U.S. Environmental Protection Agency. The organizations include retail companies, utility companies, consumer groups, state energy offices, and public service commissions.

The NAP outlines policy recommendations for creating a national commitment to energy efficiency by gas and electric utilities, utility regulators, state energy offices, and partner organizations. Florida has been a leader over the years in developing long-term energy efficiency goals and programs. As early as 1981, the Florida Energy Efficiency and Conservation Act (FEECA) was adopted to require electric and gas utilities to offer efficiency programs to customers to help utilities reduce the demand for energy. The Florida Public Service Commission annually reviews each utility's energy efficiency programs and recently has approved an expansion of conservation programs for Florida Power and Light, Progress Energy Florida, Inc. and Tampa Electric Company.

From 1980 through 2005, demand-side management and efficiency programs in Florida have reduced winter peak demand by 5,563 MW and summer demand by 4,951 MW, as outlined in the 2006 FEECA report to the Florida Legislature.

For more information or a copy of the National Action Plan for Energy Efficiency, visit http://www.epa.gov/cleanrgy/actionplan/eeactionplan.htm

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Kimberley Pena

060000

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http://www.psc.state.fl.us/home/news/index.aspx?id=205

State of Florida

Public Service Commission

NEWS RELEASE

12/19/2006 **Contact: 850-413-6482**

Ten-Year Site Plans Show Need for Fuel Diversity and Transmission Planning

TALLAHASSEE — The Review of 2006 Ten-Year Site Plans for Florida's Electric Utilities (Review) approved by the Public Service Commission (PSC) identifies the need for greater fuel diversity and additional coordinated transmission planning.

The Ten-Year Site Plans, submitted annually by eleven utilities and reviewed by PSC staff, indicate that the state's utilities plan to construct about twice as much new gas-fired capacity as solid fuel capacity by 2015. In the Review, staff recommended steps toward wider fuel diversity including encouraging renewable generation and increased demand-side management. Construction of additional solid fuel plants like clean coal and nuclear are also encouraged to achieve a more balanced fuel supply.

PSC Chairman Lisa Polak Edgar said, "When utilities use a balanced variety of fuels to generate electricity, customers are protected from significant price fluctuations, and fuel-related power disruptions are less likely."

The Review also recognizes the need for coordinated transmission planning to ensure reliable distribution of electricity throughout the Florida peninsula. The Florida Reliability Coordinating Council monitors compliance to national standards and performs regular assessments of the strength and stability of the transmission system under a variety of conditions, including weather extremes.

The 2006 Review will be available on the PSC website by the end of this week.

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Kimberley Pena

060000

From: Donna Jones
Sent: Thursday, December 28, 2006 3:01 PM
To: Commissioners & Staffs; All PSC Staff
Subject: Florida Public Service Commission Encourages Energy Efficient Resolutions for 2007

A news release was distributed this afternoon, 12/28/06, and is now available on the PSC website:

http://www.psc.state.fl.us/home/news/index.aspx?id=208

State of Florida

Public Service Commission

NEWS RELEASE

12/28/2006 **Contact: 850-413-6482**

Florida Public Service Commission Encourages Energy Efficient Resolutions for 2007

TALLAHASSEE — The Florida Public Service Commission (PSC) is encouraging residents to make energy efficient resolutions for the new year. According to the U.S. Department of Energy, the typical U.S. family spends more than $1,600 a year on home utility bills. Unfortunately, a large portion of that energy is wasted.

"By making energy-efficient choices, consumers can reduce energy consumption, cut costs and strengthen energy security for Florida for years to come," said PSC Chairman Lisa Polak Edgar.

To help you on your way to greater energy efficiency, here are eight simple resolutions for 2007:

- Insulate your home. You can reduce the load on your heating and cooling equipment by as much as 30 percent by investing in insulation.

- Draft-proof windows, doors and other air leaks. Move a lit candle around the frames and sashes of your windows. If the flame dances around, you need caulking and/or weather stripping.

- Use blinds or shades for large windows situated in the east or west sides of the house. The addition of awnings also decreases energy consumption.

- Wrap your water heater in an insulation blanket. Heating water accounts for about 20 percent of all the energy used in homes.

- Buy energy-efficient appliances. Appliances that meet federal efficiency guidelines have an Energy Star label on the product or packaging.

- Set your thermostat to 68 degrees in the winter. Wear a sweater if you want to be warmer. A heavy long-sleeved sweater adds about 3.7 degrees.

- In the summer, set the thermostat at 78 degrees and use fans to circulate the air. Every degree counts – lowering the thermostat to 76 degrees increases energy consumption by 35 percent.

- Clean the condenser coils behind or underneath your refrigerator every six months. Check the doors to make sure all the seals are tight.

The PSC is committed to making sure Florida's consumers receive some of their most essential electric, natural gas, telephone, water, and wastewater services in a safe, affordable, and reliable manner. The PSC exercises regulatory authority over utilities in the areas of rate base/economic regulation, competitive market oversight, and monitoring of safety, reliability, and service.

For more energy conservation tips, visit the Conservation House on the PSC's web site at www.floridapsc.com

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State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

FPSC-CLK - CORRESPONDENCE
-M-E-M-O-R-A-N-D-U-M-
Administrative Parties Consumer
060000-OT DOCUMENT NO. 03349-07

DATE: June 18, 2007 DISTRIBUTION: cmp

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

FROM: Beth W. Salak, Director, Division of Competitive Markets & Enforcement

RE: Access to Documents No. 06081-06 and 06083-06, Docket 060000

Please allow Lynn Fisher to review Documents No. 06081-06 and 06083-06, claimed as confidential by the companies, and filed in the ***Review of Pole Inspection and Maintenance Practices of BellSouth, Sprint and Verizon***. Any confidential information reviewed will be treated in accordance with the procedures in the APM.

cc: Dale Mailhot
Lisa Harvey
Carl Vinson
Selena Chambers

Marguerite Lockard

060000-OT

From: Marguerite Lockard
Sent: Friday, November 02, 2007 8:43 AM
To: Ray Kennedy; Brenda Merritt
Subject: RE: Return of Confidential DN 09988-06

FPSC, CLK - CORRESPONDENCE
☒ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO 03349-07
DISTRIBUTION:

ok, this e-mail confirms the return to the source of Document No. 09988-06.

thanks.

From: Ray Kennedy
Sent: Friday, November 02, 2007 8:40 AM
To: Marguerite Lockard; Brenda Merritt
Subject: RE: Return of Confidential DN 09988-06

I submitted a close docket memo to Records yesterday. The memo closes docket 060802 and instructs that Confidential DN 09988-06 be returned to AT&T. I am not sure where you are finding an instruction to keep DN 09988.

From: Marguerite Lockard
Sent: Thursday, November 01, 2007 3:50 PM
To: Brenda Merritt; Ray Kennedy
Subject: Return of Confidential DN 09988-06

I'm processing the responses to the 3rd Quarterly Confidential Report. Confidential DN 09988-06 is listed under Dkt 060000-OT (stating to return document) and 060802-TL (stating to retain document).

Which action should i take ?

DOCUMENT NO. DATE
03349-07 11/2/07
FPSC - COMMISSION CLERK

Marguerite McLean

From: Marguerite Lockard
Sent: Friday, November 02, 2007 2:11 PM
To: Brenda Merritt
Subject: RE: Responses to 3rd Quarterly Confidential Report

great, thanks for the clarification !

From: Brenda Merritt
Sent: Friday, November 02, 2007 2:01 PM
To: Marguerite Lockard
Subject: RE: Responses to 3rd Quarterly Confidential Report

Sorry about the confusion. I was working on 3 different things at once and should have done a better job at double checking. The first two documents are to be returned and the 3rd document is to be retained.

From: Marguerite Lockard
Sent: Friday, November 02, 2007 1:34 PM
To: Brenda Merritt
Subject: Responses to 3rd Quarterly Confidential Report

Brenda,
1.) DN 01653-06 in 060000-OT is listed on the cover memo to be returned to the source, but it's checked to be retained ?

2.) DN 06498-07 in 070547-TL is checked off to be returned, but it's not listed on the cover memo ?

3.) DN 02121-07 in 070408-TP is on the cover memo to be returned, but it's checked to be retained ?

Please confirm the action to be taken on these 3 documents.

thanks,

Marguerite.

STATE OF FLORIDA

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
MATTHEW M. CARTER II
KATRINA J. MCMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

OFFICE OF COMMISSION CLERK
ANN COLE
COMMISSION CLERK
(850) 413-6770

FPSC, CLK - CORRESPONDENCE
☑ Administrative ☐ Parties ☐ Consume
DOCUMENT NO. 03349-07
DISTRIBUTION: CMP; GCL
060000-OT

Public Service Commission

November 5, 2007

Ms. Nancy H. Sims
AT&T Florida
150 South Monroe Street, Room 400
Tallahassee, Florida 32301

Re: Return of Confidential Document to the Source, Docket Nos. 060000-OT and 060802-TL

Dear Ms. Sims:

Commission staff have advised that confidential Document No. 09988-06, filed on behalf of BellSouth Telecommunications, Inc., can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

Ann Cole
Commission Clerk

AC:mhl
Enclosure

cc: Ray Kennedy, Division of Competitive Markets and Enforcement
Lee Eng Tan, Office of the General Counsel

DOCUMENT NO. DATE
03349-07 11/9/07
FPSC - COMMISSION CLERK

RECEIVED _____ DATE 11/9/07