

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the effect of 1986 Federal Tax Reform for 1988	)	DOCKET NO. 871206-PU
	)	
In re: Petition of Citizens of the State of Florida for a limited proceed- ing to reduce General Telephone Company of Florida's authorized return on equity	)	DOCKET NO. 870171-TL
	)	
In re: Investigation into the proper application of Rule 25-14.003, F.A.C., relating to tax savings refunds for 1988 and 1989 for GTE of Florida Incorporated	)	DOCKET NO. 890216-TL
	)	
	)	ORDER NO. 20857
	)	ISSUED: 3-6-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman  
THOMAS M. BEARD  
BETTY EASLEY  
GERALD L. GUNTER  
JOHN T. HERNDON

ORDER ON CONSOLIDATION

BY THE COMMISSION:

By Order No. 20269, issued November 7, 1988, we proposed to adopt a cap of 14.25% on the 1988 and 1989 earnings of GTE Florida Incorporated (GTEFL). This action was proposed in Docket No. 871206-PU, which is an investigation into the effect of 1986 Tax Reform for 1988. The Office of Public Counsel (OPC) and the Florida Consumers for Responsible Utilities (FCRU) filed timely protests (the Protests) of the action proposed in Order No. 20269. As a result of the Protests, a proceeding has been scheduled to resolve the issues which led us to propose the action discussed in Order No. 20269.

Docket No. 871206-PU is a generic docket that was opened to deal with all utilities under our jurisdiction. Our Staff has recommended that we transfer the Protests to a separate docket to deal with GTEFL specifically, and Docket No. 890216-TL has been opened for this purpose. Staff believes that administrative efficiency will be promoted and confusion will be avoided if we adopt this recommendation.

Several of the issues raised in the Protests were raised previously by OPC in its Petition for a limited proceeding to reduce GTEFL's authorized return on equity. Action on the Petition is pending in Docket No. 870171-TL. Because of the apparent overlap of issues raised in the Protests and in the Petition, Staff believes that the most efficient manner of resolving all of these issues would be through consolidating Dockets Nos. 870171-TL and 890216-TL.

DOCUMENT NUMBER-DATE

02312 MAR -6 1989

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Upon review, we will approve our Staff's recommendations. The Protests are removed from consideration in Docket No. 871206-PU, and GTEFL is excused from further participation in that docket. The Protests will be considered in Docket No. 890216-TL, and OPC and FCRU shall have the status in that docket which was conferred upon them by the Protests filed in Docket No. 871206-PU. Dockets Nos. 870171-TL and 890216-TL are consolidated into a single proceeding.

On February 13, 1989, we received a letter from GTEFL committing to a January 1, 1989 effective date for the resolution of tax savings for 1989. We believe GTEFL's commitment to accept a retroactive application of our action here is adequate protection for ratepayers; therefore, we will accept it in lieu of taking other action, e.g., ordering GTEFL to hold revenues subject to refund. Apart from accepting the company's offer to accept a retroactive application of our action in these consolidated proceedings, we take no position in this Order on the arguments advanced by GTEFL in its commitment letter.

Based of the foregoing, it is

ORDERED by the Florida Public Service Commission that the protests to Order No. 20269, issued November 7, 1988, filed in Docket No. 871206-PU by the Office of the Public Counsel and the Florida Consumers for Responsible Utilities are hereby transferred for consideration in Docket No. 890216-TL with the protestors' status being preserved in the latter docket. It is further

ORDERED that GTE Florida Incorporated is excused from further participation in Docket No. 871206-PU. It is further

ORDERED that Docket No. 870171-TL is hereby consolidated with Docket No. 890216-TL into a single proceeding. It is further

ORDERED that the commitment of GTE Florida Incorporated submitted on February 13, 1989, to accept the retroactive application to January 1, 1989, of action to be taken in this consolidated proceeding is hereby accepted.

By ORDER of the Florida Public Service Commission, this 6th day of MARCH, 1989.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.