

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of the Citizens	)	DOCKET NO. 870736-TL
of the State of Florida to reduce	)	
the authorized return on equity	)	ORDER NO. 21546
of QUINCY TELEPHONE COMPANY and	)	
institute a reverse-make-whole	)	ISSUED: 7-14-89
proceeding	)	

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

NOTICE OF PROPOSED AGENCY ACTION  
AND  
ORDER ON REFUNDS

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

Order No. 18831, issued February 9, 1988, directs Quincy Telephone Company (Quincy) to refund any 1987 earnings in excess of a 14.8% Return on Equity (ROE). On April 4, 1989, Quincy filed its final surveillance report for 1987, which calculates such excess earnings to be \$60,558. Upon consideration, we approve a refund of \$134,771, including this \$60,558 amount as well as \$10,447 in interest and four adjustments recommended by our Staff.

The first adjustment corrects an overstatement of \$30,822 of the Gross Receipts Tax. The second adjustment excludes \$17,162 of business acquisition costs in accordance with Order No. 20937, issued March 27, 1989, which held that Quincy's business acquisition costs should be excluded for 1986 refund purposes because these expenses were not found to benefit

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directly the company's rate payers. The third adjustment removes the amounts booked in Other Taxes for the Florida Emergency Excise Tax. The final adjustment stems from an error by Quincy in that the amount of long-term debt was understated, thereby overstating the cost of capital.

Pursuant to Order No. 18831, this refund should be credited to residential and business customers in the same proportion as the various local exchange rates bear to each other during the June 1989 billing cycle.

Based on the foregoing, it is

ORDERED by Florida Public Service Commission that Quincy Telephone Company shall refund \$134,771 in the manner described in the body of this Order. It is further

ORDERED that this docket shall be closed administratively by our Staff after the refund has been completed and the company provides a report of the manner in which the refund was made to its customers.

By ORDER of the Florida Public Service Commission,  
this 14th day of July, 1989.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

by Kay Flynn  
Chief, Bureau of Records

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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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on August 4, 1989. In the absence of such a petition, this order shall become effective August 7, 1989 as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on August 7, 1989, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by 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 of the effective date 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.