

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: 1988 Earnings refund of	)	DOCKET NO. 890596-TL
QUINCY TELEPHONE COMPANY	)	ORDER NO. 22262
	)	ISSUED: 12-4-89

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 FINAL REFUND OF 1988 EARNINGS

BY THE COMMISSION:

By Order No. 18831, issued February 9, 1988, we accepted Quincy Telephone Company's (Quincy) proposal concerning its 1988 earnings. The proposal called for reducing Quincy's 1988 earnings by \$200,000 through a monthly credit on its customer's bills during 1988 and for a refund of any 1988 additional earnings in excess of a 14.8% return on equity (ROE).

The company submitted its preliminary 1988 surveillance report on March 15, 1989, which indicated earnings of \$125,675 in excess of a 14.8% ROE. Staff conducted a preliminary review of the surveillance report and proposed five adjustments. We proposed in Order No. 21547, issued July 14, 1988, that Quincy refund \$191,212, \$182,706 in excess earnings and \$8,506 in interest, which incorporated the Staff's adjustments. The company completed making this refund on June 25, 1989.

On August 4, 1989, the Office of the Public Counsel (OPC) protested Order No. 21547 and requested a hearing, primarily objecting to the inclusion of the remaining cost of the November 1988 hearing regarding 1986 earnings. However, on October 6, 1989, OPC withdrew this protest and request for hearing after it reached an agreement with Quincy that the hearing costs would be recognized in two \$20,840 increments in 1988 and 1989. OPC indicated that it is satisfied that all issues relating to Quincy's 1988 earnings have been resolved in light of this agreement.

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On October 4, 1989, Quincy filed a revised 1988 surveillance report which included the five adjustments proposed by Staff and the results of the 1988 cost separation study. This report also included an adjustment to remove \$29,496 of the costs of the November 1988 hearing regarding 1986 earnings. As revised, the surveillance report indicated excess revenue above a 14.8% ROE of \$369,806. Since Quincy has refunded \$182,706 of these excess earnings to its customers, \$187,100 remains to be refunded.

Accordingly, Quincy shall refund this amount plus \$24,782 in interest, bringing the total refund to \$211,882. Pursuant to Order No. 18831, the final 1988 refund shall be credited to residential and business customers in the same proportion as the various local exchange rates bear to each other and shall be made to customers of record during the November 1989 billing cycle.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Quincy Telephone Company shall refund \$211,882, which includes \$24,782 of interest, as a final disposition of its excess earnings for 1988 as a credit to residential and business customers in the same proportion as the various local exchange rates bear to each other during the November 1989 billing cycle. It is further

ORDERED that the Office of the Public Counsel's Withdrawal of Request for Hearing is hereby granted. It is further

ORDERED that this docket shall be closed administratively by the Staff of the Florida Public Service Commission upon its verification that all refunds ordered to be made in this docket have been completed.

By ORDER of the Florida Public Service Commission,  
this 4<sup>th</sup> day of DECEMBER, 1989.

STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )  
DLC

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.

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.