



Public Service Commission

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

DATE: May 22, 1996
TO: All Parties of Record
FROM: Scott K. Edmonds, Attorney, Division Of Legal Services *SE*
RE: **Pre-Prehearing Conference** -- Docket No. 951056-WS - Application for rate increase in Flagler County by Palm Coast Utilities Corporation *HS*

Please note that the pre-prehearing conference between Commission Staff and Palm Coast Utility Corporation (PCUC or utility), has been scheduled at the following time and place:

Wednesday, May 29, 1996, at 1:30 p.m.
 Room 362
 Florida Public Service Commission
 Gerald L. Gunter Building
 2540 Shumard Oak Boulevard
 Tallahassee, Florida

The purpose of this meeting is to review and discuss the Staff's Preliminary List of Issues, which is attached to this memo, and other issues identified by the parties, discuss the possible consolidation of certain issues, discuss stipulations of issues, and address any pending matters that may be resolved before the Prehearing Conference.

If you have any questions, please contact me at (904) 413-6230.

- ACK _____
- AFA _____
- APP SKE/mw
- CAF Attachment
- CMLI _____
- CTR cc: Division of Water and Wastewater (Willis)
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- ROH _____
- SEC _____
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE
 35819 MAY 24 8
 DIVISION OF RECORDS AND REPORTING

individual plants?

ISSUE 33: What are the appropriate adjustments to the provision for income taxes, including the appropriate federal tax rate, the parent debt adjustment, the interest reconciliation adjustment, the ITC interest synchronization adjustment and adjustments for other NOI adjustments?

ISSUE 34: What are the test year operating income amounts before any revenue increase?

REVENUE REQUIREMENT

ISSUE 35: What are the revenue requirements?

RATES AND RATE STRUCTURE

ISSUE 36: What is the appropriate bulk water rate for PCUC?

ISSUE 37: In light of Section 367.0817, Florida Statutes, should any revenue requirements associated with reuse be allocated to the water customers of PCUC?

ISSUE 38: What are the appropriate rates for reuse customers of PCUC?

ISSUE 39: What are the appropriate water and wastewater service rates for PCUC?

ISSUE 40: What are the appropriate amounts by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, Florida Statutes?

ISSUE 41: In determining whether any portion of the interim increase granted should be refunded, how should the refund be calculated, and what is the amount of the refund?

OTHER OR MISCELLANEOUS ISSUES

ISSUE 42: What are the appropriate annual and monthly discounted rates, and the effective date for AFUDC?