

VOTE SHEET

DATE 10/21/86

RE: DCKET NO. 860149-WU - Application of SUNNYLAND UTILITIES, INC. for increased rates and charges in Brevard County. (Deferred from 9/30/86 Conference)

Issue: Recommendation that the following revenue requirement be approved:

	<u>Total</u>	<u>Increase</u>	<u>\$</u>
Water	\$82,672	\$56,965	221.59%

Detailed issues are listed on attached Supplemental Issue Listing.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' VOTES

APPROVED

APPROVED WITH MODIFICATIONS

DISAPPROVED

DEFER

<u>John T. Hendon</u>	<hr/>	<hr/>	<hr/>
<u>Michael Mack Wilson</u>	<hr/>	<hr/>	<hr/>
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<u>Bobie Nichols</u>	<hr/>	<hr/>	<hr/>

REMARKS/DISSENTING COMMENTS:

TO:

NOV 11 1986
10:07 AM '86
FPC/RS/MP/SH/PS

SUPPLEMENTAL ISSUE LISTING

31

SUNNYLAND UTILITIES, INC.

DOCKET NO. 860149-WU

OCTOBER 21, 1986

QUALITY OF SERVICE

Issue: 1. Recommendation that the quality of service is unsatisfactory.

Issue: 2. Recommendation that to follow up on the consent order, and the quality of service, the following actions be ordered:

1. By August 1, 1987, the Utility will send a letter to the Commission explaining what their plans are to come into compliance with the DER consent order. This letter will also be enclosed in the August, 1987 billing to each customer.
2. By August 1, 1988, the Utility will send a letter to the Commission explaining what is being designed, under construction or has been built to come into compliance with the DER consent order. This letter will also be enclosed in the August, 1988 bill to each customer.

Issue: 3. Recommendation that the Utility install a valve or other apparatus as soon as possible to stop water from flowing over the storage tank, when the storage tank is full.

Supplemental Issue Listing
Docket No. 860149-WU
October 21, 1986

- Issue: 4. Recommendation that the Utility repair or replace two flushing valves and any other flushing valves that need repair, within 60 days of the effective date of the Commission order.
- Issue: 5. Recommendation that the Utility establish a flushing program, and submit this schedule within 60 days of the effective date of the Commission order.
- Issue: 6. Recommendation that the Utility meter or estimate the amount of water flushed.
- Issue: 7. Recommendation that the Utility repair or replace the broken meters and meters underwater within thirty (30) days of the effective date of the Commission order.
- Issue: 8. Recommendation that a year end test year be used in this case.
- Issue: 9. Recommendation that used and useful plant be approved as follows:
- | | |
|---------------------------|------|
| Water treatment plant | 100% |
| Water distribution system | 52% |

Supplemental Issue Listing
Docket No. 860149-WU
October 21, 1986

Issue: 10. Recommendation that plant held for future use include the following:

Well pump system for fire protection system	\$ 16,277
Water storage tank for fire protection system	34,321
Transmission and distribution system for Tree Top	<u>39,428</u>
TOTAL	<u>\$ 90,026</u>

Issue: 11. Recommendation that construction work performed by the Utility or related company should detail the following:

1. Material (description of use)
2. Labor (Time spent and water rate for the project)
3. Profit (percentage)
4. Engineering (actual contract)
5. Administrative and overhead (time spent and wage rate for the project)

Issue: 12. Recommendation that CIAC be adjusted as follows:

1. Imputation of CIAC for the margin reserve	\$ 16,000
2. To reflect the transmission and distribution system as being contributed	115,200
3. To reflect the balance of CIAC as calculated by staff	<u>9,293</u>
TOTAL	<u>\$140,493</u>

Issue: 13. Recommendation that the original cost of plant be established as \$371,788 at April 30, 1985, the date of transfer, and \$493,104 at the end of the test year.

Supplemental Issue Listing
Docket No. 860149-WU
October 21, 1986

Issue: 14. Recommendation that rate base be established as \$72,287 for the water system.

Issue: 15. Recommendation that an overall rate of return of 11.81% be adopted.

Issue: 16. Recommendation that total operation and maintenance expenses be reduced by \$13,647.

Issue: 17. Recommendation that depreciation expense be reduced by \$7,098 to reflect depreciation on used and useful plant net of CIAC amortization using the guideline rates in Rule 25-10.32 F.A.C.

Issue: 18. Recommendation that amortization of the loss on the retirement of the reverse osmosis plant be disallowed.

Issue: 19. Recommendation that test year net operating income be set as \$(47,004).