

VOTE SHEET

DATE: APRIL 1, 1997

RE: DOCKET NO. 961617-SU - Response to Commission order to show cause by Hudson Utilities, Inc. d/b/a Hudson Bay Company in Pasco County.

Issue 1: Recommendation that Hudson Utilities, Inc.'s request for a waiver be denied. Pursuant to Order No. PSC-96-1226-POP-WS, the utility should have filed the information required by Rule 25-30.425(1)(a) through (f), F.A.C., along with a calculation of the rate reduction. The Commission should reach a decision regarding the proposed decrease based on the information presently available.

*No vote was needed on this issue, because Staff was able to obtain the information elsewhere.*

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

*[Handwritten signatures of majority commissioners]*

DISSENTING

*[Handwritten signature of dissenting commissioner]*

REMARKS/DISSENTING COMMENTS:

PSC/RAR33(5/90)

*Commissioner Kiesling dissented on Issues 2, 3, and 5.*

DOCUMENT NUMBER-DATE

03487 APR-46

FPSC-RECORDS/REPORTING

**Issue 2:** Recommendation that the Commission has the authority to reduce Hudson Utilities, Inc.'s rate to reflect a reduction in purchased water and/or wastewater costs only if the utility meets or exceeds the minimum of its authorized range of return on equity.

**MODIFIED** *will be treated as PAA.*

*Commissioner Kieseling dissented.*

**Alternative Recommendation:** Recommendation that the Commission has the authority to reduce Hudson Utilities, Inc.'s rates because Section 367.081(4)(b), F.S., requires a utility's rates to be reduced to reflect a reduction in purchased water and/or wastewater costs.

**DENIED**

**Issue 3:** Recommendation that Hudson's achieved rate of return on equity is less than the minimum of its authorized range of return on equity; therefore, Hudson Utilities' rates should not be reduced to reflect a reduction in purchased wastewater costs.

**APPROVED**

*Commissioner Kieseling dissented.*

**Alternative Recommendation:** Recommendation that Hudson Utilities' rates be reduced by \$57,104 or \$.92 per thousand gallons to reflect a reduction in purchased wastewater costs to bulk wastewater customers. The utility should file revised tariff sheets and a proposed customer notice reflecting the appropriate rates and the reason for the reduction. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. The rates should not be implemented until proper notice has been received by the customers. The utility should provide proof of the date notice was given within 10 days after the date of the notice.

**DENIED**

Vote Sheet

Docket No. 961417-SU

, April 1, 1997

**Issue 4:** Recommendation that the Commission has the authority to require Hudson Utilities, Inc. to refund excess purchased wastewater costs collected from April 1, 1996 to the effective date of the new rates.

*No vote was necessary on this issue because no refund was necessary.*

**Issue 5:** Recommendation that, if the Commission approves the alternative recommendation in Issue No. 2 and approves Issue No. 4, the utility should refund excess purchased wastewater costs collected from April 1, 1996 to the effective date of the new rates. The utility should calculate the refund due customers based on the difference in the cost of the number of gallons of wastewater treated at the old rate and the new rate. The utility should submit a schedule showing by month actual wastewater gallons treated for the period of April 1, 1996, through the date the utility implements the new rates, and a schedule showing the calculation of refunds per customers. The refunds should be made with interest, as required by Section 25-30.360(4), F.A.C., within 90 days of the effective date of the order. The utility should be required to submit the proper refund reports pursuant to Rule 25-30.360(7), F.A.C. The utility should treat any unclaimed refunds as CIAC pursuant to Rule 25-30.360(8), F.A.C.

If the Commission votes for the primary recommendation in Issue No. 2 and votes yes on Issue No. 4, no refund is required. As discussed in Issue No. 3, the utility's achieved rate of return on equity is well below the minimum of its authorized range of return; therefore, no reduction is required.

**APPROVED**

*Commissioner Kissling dissented.*

**Issue 6:** Recommendation that, upon expiration of the protest period, if a timely protest is not received from a substantially affected person, and upon verification that the utility has reduced its rates to reflect the reduction in purchased wastewater costs to bulk wastewater costs collection April 1, 1996 to the effective date of the new rates, and upon the utility's filing of and staff's approval of the proposed customer notice and the revised tariff sheets, this docket should be closed administratively. If the Commission votes that no reduction or refund is required, then the docket should be closed upon expiration of the protest period.

**APPROVED**