

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

JULY 15, 2003

RE: Docket No. 981079-SU - Application for amendment of Certificate No. 104-S to extend service territory in Pasco County by Hudson Utilities, Inc., and request for limited proceeding. Docket No. 020254-SU - Application for increase in service availability charges for wastewater customers in Pasco County by Hudson Utilities, Inc.

ISSUE 1: Should Hudson be required to show cause, in writing, within 21 days, as to why it should not be fined up to \$5,000 per day from July 1, 2003, until the date of connection to the County and transfer of territory from the County to Hudson, in apparent violation of Order No. PSC-02-1626-PAA-SU?

RECOMMENDATION: Yes. Pursuant to the express direction of Order No. PSC-02-1626-PAA-SU, show cause proceedings should be immediately initiated. Hudson should be required to show cause, in writing, within 21 days, as to why it should not be fined in the amount of \$1,500, for failure to complete construction to the Signal Cove area and file proof of the transfer of territory from the County to Hudson by June 30, 2003, in apparent violation of Order No. PSC-02-1626-PAA-SU. The show cause order should incorporate the conditions stated in the analysis portion of staff's July 2, 2003 memorandum.

MODIFIED

Show cause proceedings will be initiated if construction to Signal Cove is not completed within 8 months of loan closing, with company to show cause why it should not be fined up to \$5,000 per day, from 6/30/03 to 7/15/03, for amount up to \$75,000, if construction is not complete.

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures of majority commissioners]

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

06230 JUL 15 8

FPSC-COMMISSION CLERK

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ISSUE 2: Should Hudson's Motion for Extension of Time to File Proof of Transfer of Territory be granted?

RECOMMENDATION: Yes. Hudson's Motion for Extension of Time to File Proof of Transfer of Territory should be granted. The eight-month time period should begin on the loan closure deadline of August 11, 2003, and should expire on April 11, 2004, with potential additional extensions of time available to accommodate any unavoidable construction delays. Hudson should be required to file proof of the closing of the new construction loan, in Dockets Nos. 981079-SU and 020254-SU, within ten days of the loan closure date. Further, Hudson should be required to continue to file quarterly progress reports in Docket No. 020254-SU, listing total expenses to date, anticipated remaining expenses, and an estimated date to complete construction to Signal Cove. The first quarterly progress report should be due on November 11, 2003, with a second quarterly progress report due on February 11, 2004. Finally, Hudson should be required to file proof of the completion of construction to the Signal Cove area in Dockets Nos. 981079-SU and 020254-SU, and of the transfer of territory from the County to Hudson in Docket No. 981079-SU, by April 11, 2004. If construction is not completed by that date, Hudson should be required to explain with specificity why the delay was truly unavoidable. The utility should be urged to make the completion of construction of the Signal Cove facilities a first priority.

MODIFIED *The motion was approved with the clarification that "unavoidable construction delays" are only force majeure. Reports are due monthly.*

ISSUE 3: Should Dockets Nos. 981079-SU and 020254-SU be closed?

RECOMMENDATION: No. The dockets should remain open pending completion of the construction to Signal Cove and proof of the transfer of the Signal Cove territory from the County to Hudson, and resolution of the show cause proceedings.

APPROVED