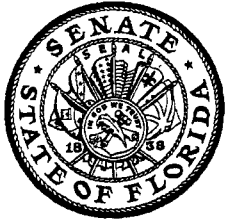


TOM LEE
President



Harold McLean
Public Counsel

ORIGINAL

STATE OF FLORIDA
OFFICE OF PUBLIC COUNSEL

c/o THE FLORIDA LEGISLATURE
111 WEST MADISON ST.
ROOM 812
TALLAHASSEE, FLORIDA 32399-1400
850-488-9330

ALLAN G. BENSE
Speaker



Stephen C. Reilly
Associate Public Counsel

June 14, 2006

Blanca S. Bayo, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RECEIVED-FPSC
05 JUN 14 PM 4:44
COMMISSION
CLERK

Re: Docket No. 050281-WS

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are the original and 15 copies of the Joint Motion to Approve Stipulation and Settlement.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

Stephen C. Reilly
Associate Public Counsel

- CMP _____
- COM 3
- CTR _____
- ECR _____
- GCL 1
- OPC _____ PAC:bsr
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- OTH _____

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DAT

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
PLANTATION BAY UTILITY COMPANY
for an increase in water and wastewater
rates in Volusia County, Florida.

Docket No.: 050281-WS


JOINT MOTION TO APPROVE STIPULATION AND SETTLEMENT

PLANTATION BAY UTILITY COMPANY ("Utility") and OFFICE OF PUBLIC COUNSEL ("OPC"), by and through their respective undersigned attorneys, file this Joint Motion to Approve Stipulation and Settlement, and in support thereof, state:

1. Utility and OPC each filed protests of Order No.: PSC-06-0170A-PAA-WS.
2. In consideration of the uncertainties of litigation, the Utility and OPC have entered into a Stipulation and Settlement, a copy of which is attached hereto.
3. Utility and OPC believe the Stipulation and Settlement is a fair and equitable resolution of the respective protests.


WHEREFORE, Utility and OPC respectfully request this Commission approve the Stipulation and Settlement in its entirety.

PLANTATION BAY UTILITY COMPANY

BY: 

Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
2180 W. State Road 434
Suite 2118
Longwood, FL 32779

OFFICE OF PUBLIC COUNSEL

BY: 

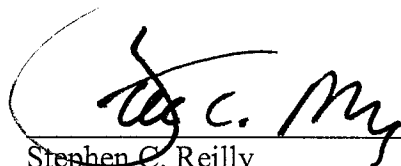
Stephen C. Reilly, Esquire
Office of Public Counsel
Claude Pepper Building
111 W. Madison Street, Suite 812
Tallahassee, FL 32399

CERTIFICATE OF SERVICE
DOCKET NO. 050281-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing Joint Motion to Approve Stipulation and Settlement has been furnished by U.S. mail and electronic mail to the following parties this 14th day of June, 2006.

Rosanne Gervasi, Esquire
Florida Public Service Commission
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Martin S. Friedman, Esquire
Rose Sundstrom & Bentley, LLP
600 S. North Lake Boulevard, Suite 160
Altamonte Springs, FL 32701-6177



Stephen C. Reilly
Associate Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
PLANTATION BAY UTILITY COMPANY
for an increase in water and wastewater
rates in Volusia County, Florida

Docket No. 050281-WS

STIPULATION AND SETTLEMENT

THIS STIPULATION AND SETTLEMENT is made and entered into between PLANTATION BAY UTILITY COMPANY (*Utility*), and the OFFICE OF PUBLIC COUNSEL, for and on behalf of the Citizens of the State of Florida (*OPC*).

RECITALS

A. On August 8, 2005, the Utility filed an application for an increase in water and wastewater rates for its operations in Volusia and Flagler counties, Florida (*Application*). The official filing date was established as September 1, 2005.

B. On March 9, 2006, the Florida Public Service Commission (*Commission*) issued Order No. PSC-06-0170A-PAA-WS (*PAA Order*), determining, among matters, that the Utility is entitled to water operating revenues of \$406,689, and wastewater revenues of \$490,260.

C. On March 29, 2006, the Utility filed a protest of the PAA Order.

D. On March 30, 2006, OPC timely filed a protest of the PAA Order.

E. The Utility and OPC disagree with the methodologies used by the

Commission in making the determinations set out in the PAA Order, but have agreed to stipulate to the revenue requirements reached by the Commission and the results set out in the PAA Order for purposes of settling all disputes between them regarding the PAA Order and for no other purpose.

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the Parties hereby stipulate and agree:

1. The Utility and OPC will submit this Stipulation and Settlement to the Commission for its consideration and approval.
2. The Utility and OPC hereby agree and stipulate to the following regarding the issues raised in their respective protests of the PAA Order:
 - A. The findings and conclusions in the PAA Order with regard to the subsections titled "Source of Supply," "Capacity of Wells," "Total Available Storage," and "Rate Case Expense" are stricken from the PAA Order and shall not serve as precedent in any future proceeding before the Commission.
 - B. The used and useful evaluations made by the Commission in this case are based upon a review of the total system. The firm reliable capacity of the wells is determined to be 342,000 gpd. The available storage is determined to be 328,000 gallons. Rate case expense recoverable from ratepayers in this case is determined to be \$38,680 for the wastewater system. This rate case expense shall be amortized over four (4) years pursuant to Section 367.0816, Florida Statutes, at \$9,670 per year.
 - C. The last two paragraphs of the subsection titled "SERVICE AVAILABILITY CHARGES AND POLICY," except for the first sentence of the second to last paragraph should be stricken. With regard to the Utility's service availability

charges and policy, all water transmission and distribution and wastewater collection system expansions completed after March 19, 2006 shall be contributed to the Utility and booked as CIAC, and all water and wastewater system capacity charges shall be discontinued after this date. The water transmission and distribution and wastewater collection plant that will be contributed and booked as CIAC to the Utility in 2006 shall include but are not limited to plant expansions in the following subdivisions; Korona Park, 2EV Unit 3-Prestwick X, 2EV Unit 4-Prestwick XI, 2AF Unit 5-Westlake V, 2AF Unit 6-Westlake VI and 2AF Unit 7-Westlake VII.

D. Upon the Commission issuing a Consummating Order consistent with all of the terms of this Stipulation and Settlement, the Utility and OPC accept the revenue requirement approved by the Commission in the PAA Order for the purposes of resolving all outstanding disputes between the parties and to conclude this case without incurring further expense.

3. This Stipulation and Settlement shall not be construed to be an adoption, acceptance, approval or consent to or agreement with the methodologies, conclusions or theories utilized by the Commission in reaching the results set out in the PAA Order, and the Utility and OPC expressly reserve the right to object to and protest the subject methodologies, conclusions or theories in any other action before the Commission. However, the PPA Order as modified by this Stipulation and Settlement shall be used as the basis for any future interim rate proceeding for this Utility.

4. This Stipulation and Settlement is contingent upon approval in its entirety by the Commission. In the event this Stipulation and Settlement is not approved by the Commissioners, neither party is bound by the provisions of this Stipulation and

Settlement and the matter shall remain *status quo* pending a full evidentiary hearing before the Commission.

5. This Stipulation and Settlement may be executed in counterpart originals, and a facsimile of an original signature shall be deemed an original.


IN WITNESS WHEREOF, the Utility and OPC have evidenced their acceptance and agreement with the provisions hereof.

THE UTILITY


OPC

Plantation Bay Utility Company

Office of Public Counsel

By: 

Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
2180 W. State Road 434, Suite 2118
Longwood, FL 32779

By: 

Stephen C. Reilly, Esquire
Office of Public Counsel
Claude Pepper Building
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