

VOTE SHEET

December 16, 2008

Docket No. 080353-WU – Application for increase in water rates in Highlands County by Placid Lakes Utilities, Inc.

Issue 1: Should the Utility’s proposed water rates be suspended?

Recommendation: Yes. Placid Lakes’ proposed water rates should be suspended.

APPROVED

Issue 2: Should an interim revenue increase be approved?

Recommendation: Yes. On an interim basis, the Utility should be authorized to collect annual water revenues as indicated below:

	<u>Adjusted Year Revenues</u>	<u>Test \$ Increase</u>	<u>Revenue Requirement</u>	<u>% Increase</u>
Water	\$541,232	\$51,031	\$592,263	9.43%

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS’ SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures of majority commissioners]

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

11610 DEC 16 8

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(Continued from previous page)

Issue 3: What are the appropriate interim water rates?

Recommendation: The water service rates for Placid Lakes in effect as of December 31, 2007, should be increased by 9.79 percent to generate the recommended revenue increase for the interim period. The approved rates should be effective for service rendered as of the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1)(a), F.A.C. The rates should not be implemented until staff verifies that the tariff sheets are consistent with the Commission's decision, the proposed customer notice is adequate, and the required security discussed in Issue 4 has been filed. The Utility should provide proof of the date notice was given within 10 days after the date of notice.

APPROVED

Issue 4: What is the appropriate security to guarantee the interim increase?

Recommendation: Placid Lakes cannot support a corporate undertaking in the amount of \$30,113. The Utility should provide either an escrow agreement, a bond, or a letter of credit to guarantee the interim rates collected subject to refund. If the security provided is an escrow agreement, Placid Lakes should deposit 9.43 percent of water revenues into the escrow account each month. If the security provided is a bond or letter of credit, said instrument should be in the amount of \$30,113. Pursuant to Rule 25-30.360(6), F.A.C., the Utility should provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, F.A.C.

APPROVED

Issue 5: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission's final action on the Utility's requested rate increase.

APPROVED