

VOTE SHEET

August 18, 2009

Docket No. 090121-SU – Application for limited proceeding rate increase in Seminole County by Alafaya Utilities, Inc.

Issue 1: What is the appropriate increase in wastewater revenues for this Utility?

Recommendation: The appropriate increase in wastewater revenues should be implemented in two phases. The phase one increase should be \$654,085 or 17.51 percent, and the phase two increase should be \$307,070 or 6.99 percent.

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Handwritten signatures of majority commissioners: Neil A. King, Katrina J. McMurrian, Lynn Eddy, and Nancy Argenziano.

REMARKS/DISSENTING COMMENTS: Commissioner Argenziano participated in the conference by telephone. She will sign the vote sheet upon her return to the office.

DOCUMENT NUMBER-DATE

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Issue 2: What are the appropriate rates for Alafaya Utilities, Inc.?

Recommendation: The appropriate rates are shown on Schedules 2 and 3 in staff's memorandum dated August 6, 2009. The rates should be designed to allow the Utility the opportunity to generate additional revenues of \$654,085 for wastewater service for phase one and \$307,070 for phase two. The Utility should be required to file revised tariff sheets and a proposed customer notice to reflect the appropriate rates. The approved rates should be effective for service rendered on or after the stamped approval date of the tariff, pursuant to Rule 25-30.475(1), F.A.C., provided the notice has been approved by staff. Within 10 days of the date the order is final, the Utility should be required to provide notice of the tariff changes to all customers. The Utility should provide proof the customers have received notice within 10 days after the date that the notice was sent.

The Utility should not be allowed to implement phase-two rates until construction of the EQ Tank has been completed and approved by the Department of Environmental Protection (DEP). The Utility should provide staff with the approval documentation no later than 15 days after the Utility receives the final approval from DEP. At that time, the Utility should also file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date of the revised tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. The rates should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given no less than ten days after the date of the notice.

APPROVED

Issue 3: What is the appropriate amount by which rates should be reduced four years after established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, F.S.?

Recommendation: The rates should be reduced as shown on Schedule No. 2 in staff's memorandum dated August 6, 2009, to remove \$8,717 for rate case expense, grossed up for regulatory assessment fees (RAFs), which is being amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. The Utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction.

APPROVED

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Issue 4: Should the recommended rates be approved for the utility on a temporary basis, subject to refund, in the event of a protest filed by a substantially affected person?

Recommendation: Yes. The recommended rates should be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a substantially affected person. Prior to implementation of any temporary rates, the Utility should provide appropriate security. UI's total guarantee should be the amount of \$436,419. If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the analysis portion of staff's memorandum. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission's Division of Economic Regulation no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. 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: If a protest is not received from a substantially affected person within 21 days of issuance of the Proposed Agency Action Order, a Consummating Order will be issued. If a Consummating Order is issued, the docket should be closed upon its issuance and upon staff's approval of the revised tariff sheets.

APPROVED