

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into
ratemaking considerations of
gain on sale from sale of
facilities of Florida Water
Services Corporation to Orange
County.

DOCKET NO. 980744-WS
ORDER NO. PSC-01-1935-PCO-WS
ISSUED: September 25, 2001

ORDER GRANTING MOTION FOR CONTINUANCE
AND ESTABLISHING NEW CONTROLLING DATES
FOR PREHEARING, HEARING AND BRIEFS

By Order No. PSC-00-1170-PCO-WS, issued June 27, 2000, a procedural schedule was established setting forth the controlling dates for this docket. By Order No. PSC-00-1602-PCO-WS, issued September 7, 2000, Florida Water Services Corporation's (FWSC or utility) motion for extension of time was granted, and new filing dates were established for the filing of prefiled testimony, exhibits, and prehearing statements. The Commission's calendar required subsequent revisions to accommodate other scheduling requirements; accordingly, the controlling dates for this docket were revised by Order No. PSC-00-1752-PCO-WS, issued September 26, 2000. By Order No. PSC-00-2141-PCO-WS, issued November 9, 2000, FWSC's motion for an extension of time for filing prefiled testimony and exhibits was granted. By Order No. PSC-00-2379-PCO-WS, issued December 11, 2000, FWSC's motion for continuance and rescheduling of controlling dates was granted, and new controlling, prehearing and hearing dates were established by Order No. PSC-01-0230-PCO-WS, issued January 24, 2001. By Order No. PSC-01-1482-PCO-WS, issued July 16, 2001, FWSC's Agreed Motion for Leave to File Amended Prehearing Statements and Motion for Continuance was granted, and new controlling dates were established for amended prehearing statements, prehearing, hearing and briefs. The Commission's calendar required subsequent revisions to accommodate other scheduling requirements; accordingly, the controlling dates were revised by Order No. PSC-01-1542-PCO-WS, issued July 25, 2001, and then again by Order No. PSC-01-1642-PCO-WS, issued August 13, 2001.

On September 20, 2001, FWSC filed a Motion for Continuance (Motion), requesting a continuance of the final hearing in this matter. In support of its Motion, the utility states that FWSC's

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parent company has appointed a new slate of officers and has directed its water and wastewater companies to actively engage in efforts and negotiations to sell their water, wastewater and reuse systems, including those FWSC systems regulated by the Commission. As a result of these changes, FWSC is now without two material witnesses who have prefiled direct and rebuttal testimony in this proceeding, and FWSC needs to explore alternatives for submitting additional testimony or having the testimony of these witnesses adopted, if appropriate, by another individual at FWSC.

Furthermore, FWSC states that it anticipates reaching an agreement on the sale of its systems by approximately June 1, 2002. According to FWSC, if it sells its systems to a governmental authority, the Commission will no longer have jurisdiction over FWSC, and there will no longer be a need to incur the time and expense of a hearing. FWSC further states that, if on the other hand, its systems are sold to a Commission-regulated utility, the issues raised in this proceeding would remain intact for resolution by the Commission.

Given these changes of circumstances, FWSC believes that it would be prudent to reschedule the final hearing date for January or February, 2002, to allow FWSC time to address how it will supplement or substitute its prefiled testimony. FWSC further states that this would provide time to identify the potential purchaser of the utility, at which time a determination could be made whether or not to proceed with this docket. In conjunction with a continuance, FWSC suggests that the utility should be required to file a report with the Commission on December 19, 2001, addressing the status of its efforts toward a sale of its utility systems.

Counsel for FWSC also states that he has conferred with the Office of Public Counsel (OPC) and is authorized to represent that OPC takes no position on the Motion.

A continuance is reasonable to allow FWSC to resolve the issues regarding its prefiled testimony. Therefore, FWSC's Motion shall be granted in part. However, it is not reasonable or necessary to continue the case for an additional three or four

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months in order to accomplish this resolution. Therefore, the following revised dates shall govern this case:

- | | |
|--------------------------|-------------------|
| 1) Prehearing Conference | November 16, 2001 |
| 2) Hearing | November 27, 2001 |
| 3) Briefs | December 26, 2001 |

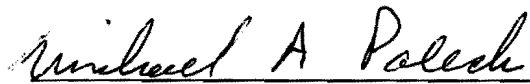
In light of the dates established herein, it will not be necessary for FWSC to file a status report with the Commission addressing its efforts toward a sale of its utility systems in conjunction with this continuance.

Based on the foregoing, it is

ORDERED by Commissioner Michael A. Palecki, as Prehearing Officer, that Florida Water Services Corporation's Motion for Continuance is granted in part and denied in part as set forth in the body of this Order. It is further

ORDERED that the controlling dates for prehearing, hearing and briefs established in Order No. PSC-00-1170-PCO-WS are modified as set forth in the body of this Order. Order No. PSC-00-1170-PCO-WS is affirmed in all other respects.

By ORDER of Commissioner Michael A. Palecki, as Prehearing Officer, this 25th day of September, 2001.



MICHAEL A. PALECKI
Commissioner and Prehearing Officer

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.