

VOTE SHEET

DATE: April 16, 1996

RE: DOCKET NO. 960011-WS - Investigation of rates of Indiantown Company, Inc. in Martin County for possible overearnings.

Issue 1: Recommendation that the 1994 rate base is \$105,458 for the water system and \$511,792 for wastewater.

**APPROVED**

Issue 2: Recommendation that the overall cost of capital for the year ending December 31, 1994 is based on Indiantown's last authorized return on equity of 16.35% and the related range of 15.35% - 17.35%. The overall rate of return is 15.15% with a range of 14.36% - 15.94%.

**APPROVED**

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

*Joe Garcia*  
*John P. Hill*  
*Susan L. Clark*  
*J. Terry Dean*  
*James T. Gray*

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REMARKS/DISSENTING COMMENTS:

PSC/RAR33(5/90)

DOCUMENT NUMBER - DATE

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FPSC-RECORDS/REPORTING

**Issue 3:** Recommendation that the 1994 achieved operating income amount is \$81,826 for water and \$67,070 for wastewater.

**APPROVED**

**Issue 4:** Recommendation that the Commission should recognize \$110,834 (rounded) in water revenue, which exceeds Indiantown's maximum authorized ROE of 17.35%, as a final determination of Indiantown's 1994 earnings. The wastewater system was earning within its authorized range of ROE.

**APPROVED**

**Issue 5:** Recommendation that the 1994 water price index adjustment should be refunded with interest, as required by Rule 25-30.360(4), F.A.C. The amount collected from May 13, 1994, the effective date of the index, is \$15,718. Interest on this amount from May 1994 to June 1996 is \$871, for a total refund of \$16,589. The utility should be required to submit the proper refund reports pursuant to Rule 25-30.360(7), F.A.C. The utility should treat any unclaimed refunds as CIAC pursuant to Rule 25-30.360(8), F.A.C. The utility should adjust water service rates downward, as indicated in Schedules 5-A and 5-B of staff's memorandum dated April 4, 1996. The staff-recommended rates are the approved rates that were in effect prior to the index.

The utility should file revised tariff sheets and a proposed customer notice reflecting the appropriate rates and the reason for the reduction. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. The rates should not be implemented until proper notice has been received by the customers. The utility should provide proof of the date notice was given within 10 days after the date of the notice.

**APPROVED**

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Issue 6: Recommendation that this docket remain open to address the revenue subject to refund. A person whose interests are substantially affected by the proposed agency action herein may file a protest within the 21-day protest period.

**APPROVED**