

VOTE SHEET

DATE: May 19, 1997

RE: DOCKET NO. 961237-SU - Disposition of contribution-in-aid-of-construction gross-up funds collected by Forest Utilities, Inc.

Issue 1: Should the Commission accept Forest Utilities, Inc.'s settlement proposal of April 23, 1997 for the disposition of gross-up funds collected? Recommendation: Yes, the Commission should accept Forest Utilities, Inc.'s settlement proposal of April 23, 1997 for the disposition of gross-up funds collected. Based on acceptance of the settlement offer, the refunds calculated in PAA Order No. PSC-97-0007-POF-SU should be offset by legal and accounting fees for each year as follows: \$1,124 for 1990, \$1,259 for 1991, \$549 for 1992, \$2,256 for 1993 and \$1,346 for 1994. As a result, staff recommends that the utility should refund \$2,248 for 1990, \$924 for 1991, \$14,690 for 1993 and \$1,941 for 1994. No refund is recommended for 1992. The utility should also be ordered to refund accrued interest as of December 31st of each respective year, through the date of the refund, for gross-up collected in excess of the above-the-line tax liability resulting from the collection of taxable CIAC.

(Continued to next page)

COMMISSIONERS ASSIGNED: CL DS GR

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Joe Lucas
Susan Clark
J. Terry Dean

REMARKS/DISSENTING COMMENTS:

PSC/RAR33 (5/90)

DOCUMENT NUMBER-DATE

04987 MAY 1997

FPSC-RECORDS/REPORTING

(Continued from previous page)

Issue 1: (continued)

According to Orders No. 16971 and 23541, all amounts should be refunded on a pro rata basis to those persons who contributed the taxes. The refunds should be completed within 6 months of the effective date of the order. Within 30 days from the date of the refund, the utility should submit copies of cancelled checks, credits applied to the monthly bills or other evidence that verifies that the utility has made the refunds. Within 30 days from the date of the refund, the utility should also provide a list of unclaimed refunds detailing contributor and amount, and an explanation of the efforts made to make the refunds.

The refund for 1995 did not change as a result of the settlement proposal; therefore, pursuant to the calculations in PAA Order No. PSC-97-0007-FOF-SU, issued January 2, 1997, no refund is required for 1995. Also, since no refund was required for 1995, no offset of legal and accounting expense is appropriate for 1995.

APPROVED

Issue 2: Should the docket be closed?

Recommendation: No. Upon expiration of the protest period, this docket should remain open pending staff's verification of refunds. Staff should be given administrative authority to close the docket upon verification that the refunds have been completed.

APPROVED