



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: October 29, 1997
TO: Mary A. Bane, Deputy Executive Director/Technical
FROM: Jennifer Iwenjion, Division of Water and Wastewater
 Ralph R. Jaeger, Senior Attorney, Division of Legal Services
RE: Deferral of Item No. 56, Docket No. 931141-WS, Disposition of CIAC Gross-Up Funds for Parkland Utilities, Inc.

Attached is the request of Parkland Utilities, Inc., for deferral of this item. Staff agrees that this item should be deferred to give the utility time to explain to staff its points of disagreement. Therefore, staff recommends that the request for deferral be granted.

RRJ/lw

Attachment

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CTM _____
- CTR _____
- EA _____
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FPSC-RECORDS/REPORTING

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October 29, 1997

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Chairman Julia Johnson
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Fla.
OCT 29 1997
LEGAL DEPT.

Re: Parkland Utilities, Inc.; Docket No. 931141-WS
Final Disposition of Gross-up on CIAC
Our File No. 21206.06

Dear Ms. Johnson:

On Monday, October 27, 1997, I, as representative of Parkland Utilities, Inc., became aware that the Public Service Commission Staff had issued its Recommendation for final disposition of gross-up monies in the above referenced case to be heard at the November 4, 1997 Agenda. Unlike the great majority of recent cases dealing with gross-up disposition, the Staff did not forward to me or to the Utility, an analysis with their proposed position on the issues for the Utility's comments prior to the formulation of the final Staff Recommendation. The Utility was not even aware that a Staff Recommendation was about to be issued.

The Utility takes great exception to the positions taken by the Staff in its Recommendation. These unprecedented proposals which will have a dramatic impact upon the Utility and its finances. Parkland Utilities wishes to analyze the Staff Recommendation and the unprecedented conclusions contained therein and to provide Staff with additional information that we hope will resolve this case short of a full formal hearing. However, the conclusions in the Staff Recommendation which will require a substantial refund of gross-up monies to one developer are wholly different from anything that the Staff has ever recommended before and are substantially revised from the Staff's position taken in its last published Staff position in this case over 1 1/2 years ago.

Based upon these facts, and in order to attempt to avoid a protracted and expensive formal hearing in this proceeding, we hereby request that the Commission defer action on this matter for at least six weeks to allow the Utility and its representatives an

Chairman Julia Johnson
October 29, 1997
Page 2

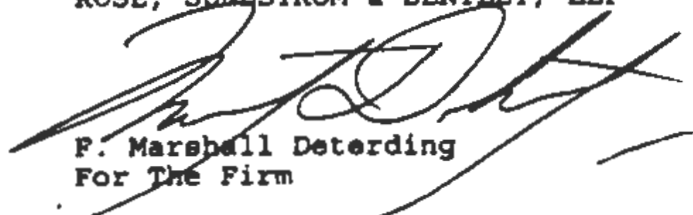
opportunity to research the issues underlying the Staff positions (including imputation of net operating loss carry-forwards) and to meet with the Staff after accumulation of data in an attempt to resolve our differences short of formal hearing.

As there are no specific statutory, rule, or order time constraints for the Commission to deal with this issue and as this matter has been pending for over three years now, the Utility hereby requests that the Commission grant a deferment of at least six weeks in order to allow the Utility the opportunity to review the contents of the Staff Recommendation, meet with the Staff to discuss the Utility's concerns and possible solutions, before this matter is brought back before the Commission for final decision.

Should you or any members of the Staff have any questions in this regard, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



F. Marshall Deterding
For The Firm

FMD/lts

cc: Ms. Blane Bayo
Ralph Jaeger, Esquire
Ms. Jennifer Iwenjiora
Ms. Christine Romig
Mr. Ron Nunes
Robert C. Nixon, C.P.A.