

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

MARCH 24, 1998

RE: DOCKET NO. 950387-SU - Application for a rate increase for North Ft. Myers Division in Lee County by Florida Cities Water Company - Lee County Division.

Issue 1: Should parties be allowed to participate?

Recommendation: Yes. Participation should be limited to five minutes for each party.

APPROVED

COMMISSIONERS ASSIGNED: JN DS GR

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures in the Majority column]

[Empty lines in the Dissenting column]

REMARKS/DISSENTING COMMENTS:

Commissioner Deason dissented on Issues Nos. 2 and 3.

DOCUMENT NUMBER-DATE

03561 • MAR 25 88

VOTE SHEET

MARCH 24, 1998

DOCKET NO. 950387-SU - Application for a rate increase for North Ft. Myers Division in Lee County by Florida Cities Water Company - Lee County Division.

(Continued from previous page)

Issue 2: Should the petition filed by Ms. Cheryl Walla for another hearing in the service area be granted?

Recommendation: No. The petition should be denied. Based on staff's recommendations in Issues 3 and 4, the record should be reopened only for the limited issue of determining what flows should be used in the numerator of the used-and-useful equation. Therefore, a general hearing to include issues on quality of service is not contemplated, and a hearing in the service area is not required or recommended.

DENIED

The hearing will be held in the service area and will be limited to Issues 3 and A.5.

Corrected 4/2/98 based on review of tape and discussion with LEG/Jaeger.

KF

Issue 3: In light of the decision and mandate of the First District Court of Appeal, what action should the Commission take regarding the Court's reversal of the Commission's calculation of used-and-useful percentage for the wastewater treatment plant using annual average daily flows in the numerator when the Department of Environmental Protection permits the wastewater plant based on annual average daily flows?

Recommendation: The Commission should reopen the record for the very limited purpose of taking evidence on what flows should be used in the numerator of the used-and-useful fraction when the Department of Environmental Protection, as of 1994, stated the denominator, the permitted capacity of this wastewater plant, on the basis of annual average daily flows. If the Commission does reopen the record to take evidence on this issue, staff believes that the additional issues of rate case expense for reopening the record and appellate rate case expense as discussed in Issue 5 below can be considered at that time.

APPROVED

VOTE SHEET

MARCH 24, 1998

DOCKET NO. 950387-SU - Application for a rate increase for North Ft. Myers Division in Lee County by Florida Cities Water Company - Lee County Division.

(Continued from previous page)

Issue 4: Should the Commission adjust the wastewater plant capacity to 1.25 mgd in accordance with the First District Court of Appeal's remand?

Recommendation: Yes.

APPROVED

Issue 5: Should the utility's Petition to Allow Additional Rate Case Expenses be granted?

Recommendation: The portion of FCWC's request to true-up \$18,617 of its estimated rate case expenses incurred prior to the appeal is inappropriate and should be denied. Any future costs associated with reopening the record, as well as the requested non-legal appellate costs of \$14,036 not included in rates, should be considered an issue that will be addressed at hearing.

APPROVED

Issue 6: Should the amount of security that was previously deemed appropriate pursuant to Order No. PSC-96-1390-FOF-SU, issued November 20, 1996, be modified at this time?

Recommendation: No. Staff believes that the amount of security that was previously deemed appropriate pursuant to Order No. PSC-96-1390-FOF-SU, issued November 20, 1996, should not be modified at this time.

APPROVED