

RUDEN
MCCLOSKEY
SMITH
SCHUSTER &
RUSSELL, P.A.
ATTORNEYS AT LAW

215 SOUTH MONROE STREET
SUITE 815
TALLAHASSEE, FLORIDA 32301

TELEPHONE: (850) 681-9027
FAX: (850) 224-2032

E-MAIL: KGC@RUDEN.COM

RECEIVED

91 FEB -3 PM 2:06

RECORDS AND
REPORTING

February 3, 1999

Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

VIA HAND DELIVERY

Re: Docket No. 971663-WS
Petition of FLORIDA CITIES WATER COMPANY for limited
proceeding to recover environmental litigation costs for North
and South Ft. Myers Division in Lee County and Barefoot Bay
Division in Brevard County.

Dear Ms. Bayo:

Enclosed for filing, on behalf of Florida Cities Water
Company, is an original transcript of the November 3, 1998, agenda
conference to be inserted into the record for the above docket.

Please acknowledge receipt of the foregoing by stamping the
enclosed extra copy of this letter and returning same to my
attention.

Thank you for your assistance.

Sincerely,



B. Kenneth Gatlin

BKG/l dv
Enclosures

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

01077 FEB-38

TAL:19648:1

FORT LAUDERDALE ■ MIAMI ■ NAPLES ■ ST. PETERSBURG ■ SARASOTA ■ TALLAHASSEE ■ TAMPA ■ WEST PALM BEACH

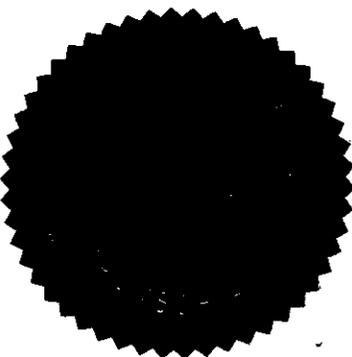
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
TALLAHASSEE, FLORIDA

IN RE: Petition of Florida Cities Water Company for limited proceeding to recover environmental litigation costs for North and South Ft. Myers Divisions in Lee County and Barefoot Bay Division in Brevard County.

DOCKET NO. 971663-WS

BEFORE:



CHAIRMAN JULIA A. JOHNSON
COMMISSIONER J. TERRY DEASON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER JOE GARCIA
COMMISSIONER E. LEON JACOBS

PROCEEDING:

AGENDA CONFERENCE

ITEM NUMBER:

31

DATE:

November 3, 1998

PLACE:

4075 Esplanade Way, Room 148
Tallahassee, Florida

JANE FAUROT, RPR
P.O. BOX 10751
TALLAHASSEE, FLORIDA 32302
(850) 561-5598

DOCUMENT NUMBER-DATE

01377 FEB-38

777

FPSC-RECORDS/REPORTING

P R O C E E D I N G S1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRMAN JOHNSON: Item 31.

COMMISSIONER GARCIA: I move staff.

CHAIRMAN JOHNSON: There is a motion on 31 to approve staff on all issues.

COMMISSIONER CLARK: I can agree, but I just want to -- I want to ease my mind on some of the -- what language is in the recommendation.

COMMISSION STAFF: Commissioners, we are recommending that if you approve Issue 1, that almost all of the other issues don't even need to be ruled upon, because they are rendered moot if you deny the petition based on the retroactive ratemaking prohibition. You may still want to consider Issue 15, which is whether or not any rate case expense should be approved. And if so, Issue 22, which is what would be the correct amortization period for rate case expense. And then, of course, Issue 25 to close the docket issue would still need a ruling.

COMMISSIONER CLARK: Maybe if you walk us through that. Let me just make -- so you wouldn't recommend doing anything on Item 10, Issue 10?

COMMISSION STAFF: Correct. Let me page to that issue. Correct, because there wouldn't be any recovery of litigation expenses. So this, as well as

1 most other issues, would be rendered moot, I believe,
2 by your decision.

3 COMMISSIONER CLARK: All right. Tell me what
4 issues we would have to decide if we move Issue 1.

5 COMMISSION STAFF: The only remaining issue that
6 we see that you may want to rule upon is Issue 15,
7 which is whether or not any rate case expense should
8 be allowed. Or you could even be silent on that and
9 just deny the whole petition and not even address rate
10 case expenses. It's at your discretion.

11 COMMISSIONER CLARK: So it would be Number 1,
12 Number 15, and then the one to close.

13 COMMISSION STAFF: And then if you determine that
14 the utilities should be awarded any amount of rate
15 case expense in Issue 15, then we would need to move
16 on to Issue 22 to get a ruling on the amortization
17 period for rate case expense. And then Issue 25 for
18 closing the docket.

19 COMMISSIONER DEASON: So if we simply move staff
20 on 1, 15, and 25 that will suffice?

21 COMMISSION STAFF: Yes, sir, that is correct.

22 COMMISSIONER CLARK: Let me ask how -- I think
23 I'm okay with that, but I wanted to ask on Issue 1,
24 will the order say we think it is retroactive
25 ratemaking, but even if it wasn't, it should still be

1 denied because the management did not act reasonably
2 or prudently to avoid this?

3 COMMISSION STAFF: Yes, ma'am. That is all part
4 of Issue 1. That is an alternative recommendation --
5 well, not even alternative, it's an additional.

6 COMMISSIONER CLARK: I think it should be
7 additional, and it's written as an alternative. With
8 that clarification, I will move staff on Issue 1, 15
9 and 22.

10 COMMISSIONER GARCIA: Second.

11 CHAIRMAN JOHNSON: Any further discussion?

12 COMMISSIONER CLARK: I'm sorry, 1, 15, and 25.

13 COMMISSIONER GARCIA: Then I guess I have to
14 withdraw my first motion, so I just second.

15 CHAIRMAN JOHNSON: Okay. Show the first motion
16 withdrawn. The motion is to move Issues 1, 15, and
17 25. There was a second. Any further discussion? All
18 those in favor signify by saying aye.

19 (Unanimous affirmative vote.)

20 CHAIRMAN JOHNSON: Opposed? Show it approved
21 unanimously. Thank you. Job well done.

22 COMMISSIONER CLARK: Thank you for the thorough
23 analysis.

24 * * * * *

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

STATE OF FLORIDA)

COUNTY OF LEON)

I, JANE FAUROT, RPR, do hereby certify that the foregoing proceeding was transcribed from cassette tape, and the foregoing pages are a true and correct record of the proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor relative or employee of such attorney or counsel, or financially interested in the foregoing action.

DATED THIS 16th day of November, 1998.



JANE FAUROT, RPR
P. O. Box 10751
Tallahassee, Florida 32302