



Public Service Commission

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

DATE: February 10, 1999
TO: All Parties of Record
FROM: Ralph R. Jagger, Staff Counsel
RE: Docket No. 950495-WS - Application for rate increase and increase in service availability by Southern States Utilities, Inc. for Orange-Osceola Utilities, Inc. in Osceola County, and in Bradford, Brevard, Charlotte, Citrus, Clay, Collier, Duval, Highlands, Lake, Lee, Marion, Martin, Nassau, Orange, Osceola, Pasco, Putnam, Seminole, St. Johns, St. Lucie, Volusia, and Washington Counties.

Please note that Commission staff has scheduled an informal meeting at the following time and place:

9:30 a.m., Friday, February 19, 1999
Gerald L. Gunter Building, Conference Room 309
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The purpose of the meeting is to identify the appropriate issues to be decided in this remand proceeding so that the filing of testimony and prehearing statements will be simplified. For purposes of discussion, staff has listed the following draft issues:

PART I

- ACK
AFA ISSUE 1: When the Department of Environmental Protection permits the wastewater treatment plant based on annual average daily flows, what flows should be used in the numerator of the used and useful equation to calculate used and useful plant?
APP
CAF
CMU
CTR Issue 2: In mixed use areas, for the water distribution and wastewater collection systems, must the Commission use equivalent residential connections in the numerator of the used and useful equation?
EAG
LEG
LIN ISSUE 3: What is the appropriate provision for rate case expense since the remand by the First District Court of Appeal?
OPC
RCH
SEC / ISSUE 4: What is the appropriate revenue requirement?
WAS
OTH

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**ISSUE 5:** What are the appropriate water and wastewater rates for Florida Water Services Corporation?

**ISSUE 6:** What is the appropriate amount by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, Florida Statutes?

**ISSUE 7:** In determining whether any portion of the interim increase granted should be refunded, how should the refund be calculated?

**ISSUE 8:** Based on the changes to the used and useful percentages, what are the appropriate allowance for funds prudently invested charges, and are any refunds of the charges collected subject to refund required?

## **PART II**

**ISSUE 9:** What is the appropriate action that should be taken with regard to surcharges?

**ISSUE 10:** Should the utility be allowed to collect interest on the surcharges, and, if so, how should interest be calculated?

**ISSUE 11:** Should the utility be required to file tariff sheets and a proposed customer notice regarding surcharges?

Please be prepared to discuss these issues, and any necessary changes or additional issues. While attendance is not required, parties are encouraged to attend and participate. Parties unable to attend in Tallahassee may participate via teleconference by dialing (850) 921-6433 or SunCom 291-6433. If you have any questions about the meeting, please call (850) 413-6234.

RRJ/lw

cc: Division of Water & Wastewater (All Water and Wastewater Managers)  
/Division of Records & Reporting

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