

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

APRIL 18, 2000

RE: DOCKET NO. 970201-WU - Application for transfer of facilities of Lake Region Paradise Island and amendment of Certificate No. 582-W held by Keen Sales, Rentals and Utilities, Inc. in Polk County.

Issue 1: Should Steven and Susan Cliett, former owners of the utility known as Lake Region Paradise Island, Inc., be ordered to show cause, in writing within twenty-one days, why it should not be fined for the apparent violation of Section 367.071, Florida Statutes?

Recommendation: No. Show cause proceedings should not be initiated.

APPROVED

COMMISSIONERS ASSIGNED: DS CL JC

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Susan I. Clark

J. Terry

REMARKS/DISSENTING COMMENTS:

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Issue 2: Should Keen Sales, Rentals and Utilities, Inc. be ordered to show cause, in writing within twenty-one days, why it should not be fined for the apparent violation of Section 367.121, Florida Statutes, and Rule 25-9.044, Florida Administrative Code, in that it charged the customers of Lake Region Paradise Island unapproved rates?

Recommendation: No. Show cause proceedings should not be initiated. However, Keen should be ordered to refund, with interest, all revenues collected as a result of charging unapproved rates, pursuant to Rule 25-30.360, Florida Administrative Code. The refunds should be made to the customers of Lake Region Paradise Island, and should be completed within one year of the effective date of the Order issued as a result of action taken at this agenda conference. Keen should submit copies of canceled checks or other evidence which verifies that the refunds have been made, within 30 days from the date of the refund. Also, within 30 days of the date of the refund, the utility should provide a list of unclaimed refunds detailing contributor and amount, and an explanation of the efforts made to make the refund. After staff's verification and review of the refund process, any unclaimed refunds should be treated as contributions-in-aid-of-construction (CIAC).

APPROVED

Issue 3: Should the transfer of the LRPI facilities from S & S to Keen and the amendment of Water Certificate No. 582-W be approved?

Recommendation: Yes. The transfer of the LRPI facilities from S & S to Keen and the amendment of Water Certificate No. 582-W to include the LRPI territory should be approved. The seller should be responsible for the RAFs owed from May 14, 1996 through January 9, 1997.

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Issue 4: What is the rate base of Lake Region Paradise Island at the time of transfer?

Recommendation: The rate base of Lake Region Paradise Island could not be determined. Keen should be put on notice that an original cost study may be required at the time of filing a rate petition. Keen should also be required to maintain its books in compliance with the NARUC Uniform System of Accounts.

APPROVED

Issue 5: Should an acquisition adjustment be approved?

Recommendation: No. An acquisition adjustment should not be approved, since rate base cannot be established at this time.

APPROVED

Issue 6: Should Keen Sales, Rentals and Utilities, Inc., use the rates approved by Polk County for Lake Region Paradise Island?

Recommendation: Yes. Keen should charge the rates approved by Polk County for LRPI. The tariff should be effective for services provided on or after the stamped approval date, in accordance with Rule 25-30.475, Florida Administrative Code.

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Issue 7: Should this docket be closed?

Recommendation: No. Upon expiration of the protest period, if a timely protest is not filed by a substantially affected person, the Order should become final and effective upon the issuance of a Consummating Order. The docket should remain open pending verification of the refund and that any unclaimed refunds have been treated as CIAC. Staff should be granted administrative authority to close the docket upon verification that the refunds have been made in accordance with the Commission Order.

MODIFIED

Approved as modified.

The docket should also remain open to address the outstanding AAFs and annual report for the period from 5/14/96 through 1/7/00.