

VOTE SHEET

JUNE 6, 2000

RE: DOCKET NO. 990937-SU - Application for staff-assisted rate case in Polk County by ABCA, Inc.

Issue 1: Is the quality of service provided by ABCA, Inc. considered satisfactory?

Recommendation: The quality of service provided by the utility should be considered satisfactory.

APPROVED

Issue 2: What are the appropriate used and useful percentages for the treatment plant and collection system?

Recommendation: The wastewater plant should be considered 100% used and useful, and the collection system should be considered 87% used and useful.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Handwritten signatures of commissioners in the majority column, including names like Susan Clark and Joe Garcia.

Empty lines for dissenting signatures.

REMARKS/DISSENTING COMMENTS: Chairman Garcia participated in the conference via video teleconference. He agreed with the majority vote and will sign the vote sheet upon return to Tallahassee.

Handwritten note: The utility is to work w/ the city of Lakeland regarding disconnection, to give OPC notification and to pursue mediation.

DOCUMENT NUMBER-DATE 467 JUN 12 8

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Issue 3: What is the appropriate average test year rate base for the utility?

Recommendation: The appropriate average test year rate base for ABCA should be \$31,392.

APPROVED

Issue 4: What is the appropriate rate of return on equity and the appropriate overall rate of return for this utility?

Recommendation: The appropriate rate of return on equity should be 8.93% with a range of 7.93% - 9.93%. The appropriate overall rate of return should be 8.93% with a range of 7.93% - 9.93%.

APPROVED

Issue 5: What are the appropriate test year revenues?

Recommendation: The appropriate test year revenues should be \$31,744.

APPROVED

Issue 6: What is the appropriate amount of operating expense?

Recommendation: The appropriate amount of operating expense should be \$57,640.

APPROVED

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Issue 7: What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement should be \$60,443.

APPROVED

Issue 8: What is the appropriate rate structure for this utility?

Recommendation: The appropriate rate structure for this utility is the base facility/uniform gallonage charge rate structure.

APPROVED

Issue 9: What is the appropriate level for the residential wastewater gallonage cap?

Recommendation: The appropriate level for the residential wastewater gallonage cap is 8,000 gallons per month.

APPROVED

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Issue 10: Is a repression adjustment to consumption appropriate for this utility, and, if so, what is the appropriate adjustment?

Recommendation: No, a repression adjustment is not appropriate in this case. However, in order to monitor the effects of the rate increase on consumption, the utility should be ordered to file, on a quarterly basis, reports detailing the number of bills rendered, the number of gallons billed and the total revenues billed for each month during the quarter, with the totals shown separately for the residential and general service classes of service. These reports should be required for a period of two years, beginning the first quarter after the revised rates go into effect.

APPROVED

Issue 11: What are the recommended rates for this utility?

Recommendation: The recommended rates should be designed to produce revenue of \$60,443. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code, provided the customers have received notice. The rates may not be implemented until proper notice has been received by the customers. The utility should provide proof of the date notice was given within 10 days after the date of the notice.

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Issue 12: What are the appropriate customer deposits for this utility?

Recommendation: The appropriate customer deposits should be the recommended charges as specified in the staff memorandum dated May 25, 2000. The utility should file revised tariff sheets which are consistent with the Commission's vote. Staff should be given administrative authority to approve the revised tariff sheets upon staff's verification that the tariffs are consistent with the Commission's decision. If revised tariff sheets are filed and approved, the customer deposits should become effective for connections made on or after the stamped approval date of the revised tariff sheets.

APPROVED

Issue 13: Should the utility's existing service availability charges be revised?

Recommendation: Yes, the utility's service availability charges should be separated into a plant capacity charge of \$430, and a main extension charge of \$450. If the Commission approves these new charges, the utility should file revised tariff sheets which are consistent with the Commission's vote. Staff should be given administrative authority to approve the revised tariff sheets upon staff's verification that the tariffs are consistent with the Commission's decision. If revised tariff sheets are filed and approved, the revised service availability charges should become effective for connections made on or after the stamped approval date of the revised tariff sheets.

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Issue 14: Should the utility be required to show cause, in writing within 21 days, why it should not be fined up to \$5,000 per day for its apparent violation of Rule 25-30.115, Florida Administrative Code, for failure to maintain its books and records in conformance with the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA)?

Recommendation: No. A show cause proceeding should not be initiated. However, the utility should be required to maintain its books and records in conformance with NARUC USOA and should be required to submit a statement from its accountant by March 31, 2001, along with its 2000 annual report, stating that its books are in conformance with NARUC USOA and have been reconciled with the Commission's Order. In addition, staff recommends that the utility be put on notice that if the books are not in conformance by March 31, 2001, a show cause proceeding may be initiated.

APPROVED

Issue 15: Should the recommended rates be approved for the utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the utility?

Recommendation: Yes, pursuant to Section 367.0814(7), Florida Statutes, the recommended rates should be approved for the utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the utility. Prior to implementation of the temporary rates, the utility should provide an appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the utility should be subject to the refund provisions discussed in staff's memorandum. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should file reports with the Commission no later than 20 days after each monthly billing. These reports should indicate the amount of revenue collected under the increased rates.

APPROVED

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Issue 16: Should the utility be required to show cause, in writing within 21 days, why it should not be fined up to \$5,000 per day for its apparent violation of Rule 25-30.335(1), Florida Administrative Code, for its failure to render bills to customers at regular intervals?

Recommendation: No. A show cause proceeding should not be initiated because the utility has been in compliance since becoming aware of the violation. *(This issue is not AAA.)*

APPROVED

Issue 17: What are the appropriate billing procedures and billing format for this utility?

Recommendation: The utility should be required to follow the guidelines of Rule 25-30.335, Florida Administrative Code, for billing procedures. The utility should bill its customers of record on a monthly basis. The bill should have the utility's name, and list the charges for utility services separately from the streetlight charges.

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Issue 18: Is the utility's collection of the past due amounts appropriate?

Recommendation: Yes. The utility should be allowed to collect the past due amounts from July 11, 1996, when the Commission obtained jurisdiction.

APPROVED

Issue 19: Should this docket be closed?

Recommendation: No. If no timely protest is received upon expiration of the protest period, the Order will become final and effective upon issuance of a Consummating Order. However, this docket should remain open for at least 12 months to allow the utility to complete pro forma plant improvements and provide staff with verification that all improvements have been made. After staff has verified that all improvements have been completed, this docket should be closed administratively. If a protest is filed within 21 days of issuance of the Order, the Commission-approved temporary rates should become effective pending resolution of the protest.

APPROVED