

VOTE SHEET

AUGUST 20, 2002

RE: Docket No. 011682-SU - Application for increase in wastewater service availability charges in Lee County by Forest Utilities, Inc.
Docket No. 011683-SU - Petition by Forest Utilities, Inc. for establishment of allowance for funds used during construction (AFUDC) rate in Lee County.

ISSUE 1: What is the appropriate ROE for Forest?

RECOMMENDATION: The utility's ROE should be reduced to 11.34% with a range of 10.34% to 12.34%.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures in the majority column]

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

08804 AUG 20 02

FPSC-COMMISSION CLERK

VOTE SHEET

AUGUST 20, 2002

Docket No. 011682-SU - Application for increase in wastewater service availability charges in Lee County by Forest Utilities, Inc.

Docket No. 011683-SU - Petition by Forest Utilities, Inc. for establishment of allowance for funds used during construction (AFUDC) rate in Lee County.

(Continued from previous page)

ISSUE 2: What is the appropriate AFUDC rate for Forest?

RECOMMENDATION: An annual AFUDC rate of 10.73% should be approved as reflected on Schedule No. 1 of staff's August 8, 2002 memorandum. The discounted monthly rate should be 0.893828%. The approved rate should be applicable for eligible construction projects beginning October 1, 2001.

APPROVED

ISSUE 3: Should the utility's tariff filing to modify its system capacity charge be approved as filed?

RECOMMENDATION: No. Tariff Sheets Nos. 24.0 and 27.0 filed on December 31, 2001 should be denied. The Commission should discontinue the utility's existing system capacity charge and approve a plant capacity charge of \$933 per residential ERC and a plant capacity charge of \$5.488 per gallon for all others. Also, the Commission should approve a main extension charge of \$1,043 per residential ERC and a main extension charge of \$6.135 per gallon for all others. Further, the Commission should issue the order as Proposed Agency Action (PAA). If there is no timely protest to the Commission's PAA by a substantially affected person, the utility should file the appropriate revised tariff sheets and a proposed notice within twenty days of the effective date of the PAA Order. The revised tariff sheets should be approved administratively upon staff's verification that the tariffs are consistent with the Commission's decision and the utility's proposed notice is adequate. If the revised tariff sheets are approved, the service availability charges should become effective for connections made on or after the stamped approval date of the revised tariff sheets, pursuant to Rule 25-30.475(2), Florida Administrative Code, providing the appropriate notice has been made. The notice shall be mailed or hand-delivered to all persons in the service area who have filed a written request for service within the past 12 calendar months or who have been provided a written estimate for service within the past 12 calendar months. The utility shall provide proof of the date the notice was given within 10 days after the date of the notice.

APPROVED

VOTE SHEET

AUGUST 20, 2002

Docket No. 011682-SU - Application for increase in wastewater service availability charges in Lee County by Forest Utilities, Inc.

Docket No. 011683-SU - Petition by Forest Utilities, Inc. for establishment of allowance for funds used during construction (AFUDC) rate in Lee County.

(Continued from previous page)

ISSUE 4: Should Docket No. 011682-SU be closed?

RECOMMENDATION: If the Commission approves staff's recommendation on the previous issues and no timely protest on those issues is received upon expiration of the protest period, the PAA Order on the service availability charges will become final upon the issuance of a Consummating Order. Once staff has verified that the utility's revised tariff sheets are consistent with the Commission's decision and that the appropriate notice has been made, Docket No. 011682-SU should be closed administratively. If a timely protest is filed, staff recommends the following: 1) the docket should remain open pending the resolution of the protest; 2) the utility's proposed tariff should go into effect, subject to refund, pending resolution of the protest; 3) the utility also should file an escrow agreement to guarantee the difference between the utility's existing and proposed system capacity charge collected subject to refund until the protest is resolved; and 4) pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should be required to provide a report by the 20th day of each month indicating the monthly and total amount of service availability charges collected subject to refund as of the end of the preceding month.

APPROVED

ISSUE 5: Should Docket No. 011683-SU be closed?

RECOMMENDATION: If no timely protest on the Commission- approved AFUDC rate is received upon expiration of the protest period, the PAA Order on the AFUDC rate will become final upon the issuance of a Consummating Order and Docket No. 011683-SU should be closed.

APPROVED