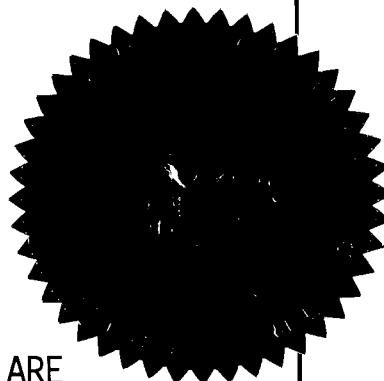


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 020010-WS

In the Matter of

APPLICATION FOR STAFF-ASSISTED
RATE CASE IN HIGHLANDS COUNTY
BY THE WOODLANDS OF LAKE
PLACID, L.P.



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PROCEEDINGS: SERVICE HEARING

BEFORE: COMMISSIONER J. TERRY DEASON
COMMISSIONER RUDOLPH BRADLEY
COMMISSIONER CHARLES DAVIDSON

DATE: Wednesday, May 28, 2003

TIME: Commenced at 6:00 p.m.
Concluded at 6:35 p.m.

PLACE: Sebring Civic Center
355 W. Center Avenue
Sebring, Florida

REPORTED BY: JANE FAUROT, RPR
Chief, Office of Hearing Reporter Services
FPSC Division of Commission Clerk and
Administrative Services
(850) 413-6732

DOCUMENT NUMBER 0101

FLORIDA PUBLIC SERVICE COMMISSION 05028 JUN-5 03

FPSC-COMMISSION CLERK

1 APPEARANCES:

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3 Bentley, LLP, 600 S. North Lake Boulevard, Suite 160, Altamonte
4 Springs, Florida 32701, appearing on behalf of Highvest
5 Corporation and L.P. Utilities Corporation.

6 STEPHEN C. BURGESS, ESQUIRE, Office of Public
7 Counsel, c/o The Florida Legislature, 111 West Madison Street,
8 Room 812, Tallahassee, Florida, 32399-1400, appearing on
9 behalf of the Office of Public Counsel.

10 LARRY HARRIS, ESQUIRE, and KATHERINE
11 FLEMING, FPSC General Counsel's Office, 2540 Shumard
12 Oak Boulevard, Tallahassee, Florida 32399-0850,
13 appearing on behalf of the Commission Staff.

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I N D E X

WITNESSES

NAME:

PAGE NO.

SARA KELLER

5

JUDY PERNOD

8

EXHIBITS

NUMBER

I.D.

ADMTD.

5

(Late-filed) Update of rate
case expense

23

P R O C E E D I N G S

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COMMISSIONER DEASON: Call the hearing to order.

This is a continuation of a hearing we have been having since this morning at 10:00 o'clock. We had a customer hearing and then we convened the technical phase of the hearing.

We have concluded that, and we are here to convene another customer hearing for this evening. Let me ask, are there any customers who have joined us that were not here this morning? If you will please just raise your hand. Let the record reflect that all of the customers that are with us were here this morning.

I'm just asking that question because I think it is a little redundant to go through all of the introductions and all of the preliminary matters for persons who have already heard that once, so we will just get right to the matter at hand. We will dispense with introductions and preliminary matters.

We are here to hear from customers. Mr. Burgess, do you have customers signed up to address us for this evening hearing?

MR. BURGESS: I do. And the first customer I have listed is Sara Keller.

COMMISSIONER DEASON: Let me ask you this question. Do you have any customers signed up who did not testify this morning that it would be their first time to testify?

MR. BURGESS: In a fashion I do. I have Mr. John

1 Lovelette who has signed up, who testified but testified as a
2 utility witness in the case and presented rebuttal testimony.

3 COMMISSIONER DEASON: We will get to Mr. Lovelette
4 then in due course. You may proceed with your witness.

5 MR. FRIEDMAN: Commissioner Deason, may I interpose
6 an objection?

7 COMMISSIONER DEASON: Surely.

8 MR. FRIEDMAN: I would object to any witness
9 testifying this afternoon that also testified this morning. I
10 suggest to you that the customer input testimony is not
11 intended to be one by which the customer testifies, then comes
12 back later and provides rebuttal testimony, and that it is
13 inappropriate to allow the customer to do so because it allows
14 the customer, basically, to have a rebuttal. And that is not
15 the purpose of the customer testimony portion of the hearing.

16 COMMISSIONER DEASON: Okay. Your objection is noted
17 and it is overruled. We will hear from the customers. But I
18 will give you the latitude that if new matters come up that you
19 feel that you need to address in some manner to either request
20 that you recall one of your witnesses to address that in some
21 manner. And I will leave that to your discretion to request
22 that if you see fit. Mr. Burgess, you may continue.

23 SARA KELLER

24 appeared as a witness and, swearing to tell the truth,
25 testified as follows:

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DIRECT STATEMENT

MR. BURGESS: Yes. Ms. Keller, would you please reintroduce yourself for the record. You need not give your address. And then express to the Commission those areas that you have additional concerns.

MS. KELLER: My name is Sara Keller. And you think that you are saying everything that you had in mind when you get up here, and then you find that you have overlooked something. One of the things that I had overlooked in what I had intended to say was that in 1997 it was brought to the Commission's attention that Woodlands was not certified to sell water. And this is now 2003 and the certification is still in question.

That being such a long span of time, I feel, and I will express again that I think the Commission has been very lenient. Because I do know that one of the board members had notified the Commission back in '97, Elwood Breman (phonetic), I think it was, he was on the board. And it has taken this long to reach this point.

And in the meantime, in 1998, of course, then the fees were raised and they still weren't certified. So, that is a big concern because this is a long spread of time. I can't ask you is this normal.

Another point that I didn't bring up was in addition to the water and sewer that we pay Woodlands, call it Woodlands

1 or Highvest, we also pay them a lease for some of -- for a
2 building that we use. For a couple of years it was 15,000 a
3 year and now it is 30.

4 On the sale of the front building, that was very
5 upsetting to us, because although the CFRLP lots abstained from
6 voting on the price that was to be obtained for the property,
7 they did not abstain on the question should the POA offer the
8 property for sale. There were 296 votes for it to be sold, and
9 248 of those were Cozier votes. The final analysis was it was
10 48 for and 65 against. No, 50 against. Now those figures are
11 taken from the figures published by Mr. Lovelette.

12 Where they abstained for selling the property for
13 200,000, CFRLP abstained with 232 votes, but Highvest voted 16,
14 and that carried that one. It carried it 48 for it. Without
15 his votes, let me put it that way, without Cozier's votes there
16 were 48 people voted to sell it for 200,000 and 65 voted
17 against it. So we are more than a little concerned because the
18 property is gone. And while the assumption was made that the
19 court awarded the property to us, the property always belonged
20 to us and that was validated by the court.

21 We were also concerned at the devious way that the
22 building went from the property owners through Camper Corral to
23 Highvest. Camper Corral purchased the front building, Highvest
24 mortgaged it in June, Highvest foreclosed in July for
25 nonpayment of the mortgage, and then the building became

1 Highvest's. We haven't understood. We don't understand that.
2 We went to court to get that property. We had not had use of
3 that property since 1995. It was our clubhouse. Now we are
4 paying Woodlands or Highvest 30,000 to use the clubhouse that
5 they have.

6 Let's see. Mr. Friedman will probably say I am
7 rebutting some testimony if I say that I have an RV. And if I
8 go into a place to spend the season, I'm not going to wash
9 dishes in the bathhouse, and I'm not going to do any cooking in
10 the bathhouse because it is not set up for that.

11 I have nothing else to say.

12 COMMISSIONER DEASON: Mr. Friedman, any questions?

13 MR. FRIEDMAN: No.

14 COMMISSIONER DEASON: Staff, any questions?

15 MR. HARRIS: No questions.

16 COMMISSIONER DEASON: Thank you, Ms. Keller.

17 Mr. Burgess, you may call your next witness.

18 MR. BURGESS: I would call Judy Pernod.

19 MR. FRIEDMAN: Commissioner Deason, I would interpose
20 the same objection.

21 COMMISSIONER DEASON: Your objection is noted.

22 JUDY PERNOD

23 appeared as a witness and, swearing to tell the truth,
24 testified as follows: *

25 DIRECT STATEMENT

1 MR. BURGESS: Mr. Pernod, would you simply
2 reintroduce yourself and then just present your testimony to
3 the Commission.

4 MS. PERNOD: My name is Judy Pernod. And I just
5 wanted to make a few points that I forgot to mention. Out of
6 the 149 homeowners in Camp Florida that pay the \$35 a month
7 rent or water fee, there is only 25 homeowners that live there
8 year-round, so there is only, you know, very few people that
9 really use the facilities during the year.

10 And one point I wanted to make, we have -- a lot of
11 our friends that are there just two months out of the year, and
12 some of them do not even have sprinkler systems, so they don't
13 use a drop of water the majority of the time and still have to
14 pay the \$35. I think the water is fine. We have no problem
15 with the water, I am very satisfied with the water. But I do
16 think that when we are not there we should just have a base
17 rate to pay. That's all I have to say.

18 MR. BURGESS: Thank you, Ms. Pernod.

19 MR. FRIEDMAN: No questions.

20 COMMISSIONER DEASON: Staff, any questions?

21 MR. HARRIS: No questions.

22 COMMISSIONER DEASON: Thank you, ma'am.

23 Mr. Burgess.

24 MR. BURGESS: For my final witness, it is my turn to
25 impose an objection. Mr. Lovelette has signed up, and I am

1 compelled to report that to the Commission. But Mr. Lovelette
2 has testified already twice today, and unless there is
3 something that I'm not aware of, I think it is very unusual for
4 someone who is the exclusive witness of the utility company --
5 and I know he lives within the Camp Florida Resort Park -- but
6 to come forward and testify in the customer proceeding I think
7 is highly out of the ordinary and I don't see any need for it.

8 COMMISSIONER DEASON: Let me -- is Mr. Lovelette a
9 customer of the utility company, do you know?

10 MR. BURGESS: As far as I know, I don't know whether
11 he owns property or not.

12 COMMISSIONER DEASON: Well, let's just allow Mr.
13 Lovelette to take the stand and I will ask some preliminary
14 questions.

15 MR. BURGESS: Very good.

16 MR. LOVELETTE: Commissioners, my concern was --

17 COMMISSIONER DEASON: Get to a microphone, please.

18 MR. FRIEDMAN: Well --

19 COMMISSIONER DEASON: Mr. Friedman, you may address
20 the Commission.

21 MR. FRIEDMAN: Mr. Lovelette listed himself as a
22 witness in case he wanted to say something in response to what
23 the two earlier witnesses said.

24 COMMISSIONER DEASON: And there is no need for him to
25 respond?

1 MR. FRIEDMAN: That is my understanding, yes.
2 Although I think as a customer he would have every right as any
3 other customer to say his peace, I think that this witness has
4 spoken, and I don't think there is any need to address any of
5 the comments of the two customers who spoke before.

6 COMMISSIONER DEASON: Are you willing to withdraw
7 your objection to the testimony of the customers?

8 MR. FRIEDMAN: No.

9 COMMISSIONER DEASON: Your objection to the customers
10 stands, but this witness is not necessary to address their
11 comments?

12 MR. FRIEDMAN: That's correct. I don't think there
13 is any need to rebut it, but that still doesn't mean that I
14 agree that procedurally they should be allowed --

15 COMMISSIONER DEASON: I'm just asking, Mr. Friedman.
16 That's fine.

17 MR. FRIEDMAN: And I am telling you my opinion.

18 COMMISSIONER DEASON: You have never hesitated in
19 doing that before.

20 Okay. So Mr. Lovelette does not need to take the
21 stand. Does that exhaust your list of customers?

22 MR. BURGESS: It does, Commissioner.

23 COMMISSIONER DEASON: Okay. Thank you all again for
24 being here. I appreciate your testimony this morning and your
25 testimony this evening. Staff?

1 MR. HARRIS: Commissioners, I believe that concludes
2 what we have scheduled for the hearing today.

3 Under the normal course of events, we would have this
4 set for a briefing schedule, an agenda conference which you
5 could decide. I would submit to you that with the limited
6 number of issues and the testimony we have heard in one day,
7 that it may be possible for the Commission to determine that a
8 bench vote would be appropriate today where you would not order
9 briefs to be submitted and decide the issues today without the
10 necessity of a separate agenda conference. That would be at
11 your discretion.

12 COMMISSIONER DEASON: Mr. Burgess.

13 MR. BURGESS: Commissioner, we would not object to
14 the Commission arriving at a decision on a bench vote, nor do
15 we object to the process set out with post-hearing pleadings
16 being filed. So, you know, I am open to either one. I
17 certainly have no objection to the Commission making a
18 decision. It has been a long time. If the Commission deems it
19 appropriate, we have no problem with that. We have no problem,
20 further, though, with submitting some type of post-hearing
21 finding of fact.

22 COMMISSIONER DEASON: Mr. Friedman.

23 MR. FRIEDMAN: I vehemently object to any decision
24 being made at this time. The prehearing order has been entered
25 in this case. Everybody understands that procedure. We have

1 all been guided by that procedure in exercising our due process
2 rights and how to present our case to this hearing.

3 You will note that the prehearing order says
4 post-hearing procedure, "Each party shall file a post-hearing
5 statement of issues and position," et cetera, et cetera, the
6 standard language. Nobody has suggested that this procedure
7 was not one that was going to be followed. I think that it is
8 highly improper to subvert this previously noticed procedure,
9 and sincerely believe that it is a breach of my client's due
10 process rights to change the procedure at this point in time.

11 And I think that whether the issues are limited or
12 not, there are substantial legal arguments to be made,
13 particularly with regard to the interrelationship of the
14 corporations. That, I think, factually everybody agreed from
15 day one what those -- well, maybe not day one, but at least
16 certainly at some point in the procedure we are all agreed as
17 to the identities of those corporate entities and partnerships,
18 and that the deciding factor on that is going to be based upon
19 the application of the law to those facts.

20 We have not had an opportunity to present that law to
21 you. I am not prepared to do it today, because I relied on
22 this order that says I am going to get a chance to file a
23 post-hearing statement of positions. And that is the point
24 that I intend to argue the law it is applies to these facts. I
25 can't do it in a closing statement today. And I think that it

1 is highly prejudicial to rule upon this case without allowing
2 us that opportunity to file post-hearing statements and
3 positions.

4 COMMISSIONER DEASON: Mr. Harris, you have heard the
5 comments of Public Counsel and Mr. Friedman?

6 MR. HARRIS: Yes, I did. Staff would recommend that
7 you do have the authority to do this, and there is a couple of
8 reasons why Staff believes that you should. First, I think the
9 uniform rules contemplate clearly that the presiding officer
10 has -- and I am quoting from 28-106.211, Florida Administrative
11 Code, "The presiding officer before whom a case is pending may
12 issue any orders necessary to effectuate discovery to prevent
13 delay and to promote the just, speedy and inexpensive
14 determination of all aspects of the case, including bifurcating
15 the proceeding."

16 In this case rate case expense has been brought up as
17 an issue by a number of parties. The additional burden of
18 going forward with briefing an agenda conference would add an
19 substantial amount to rate case expense. And this is a small
20 utility that would ultimately bear that burden should the
21 Commission order rate case expense.

22 Second, delay. This is a proceeding that has been
23 going on for a long time. I think the PAA was, in fact, in
24 December, and that was delayed a number of times. I think it
25 was originally scheduled for October of 2002. Staff believes

1 it is time to get a final order before us so we can get this
2 moving. There is an issue of a large number of refunds.
3 Depending on what the Commission votes, you know, those have
4 been held for quite a period of time.

5 As far as due process, my understanding of due
6 process involves notice and an opportunity to be heard. Mr.
7 Friedman's argument that the order establishing procedure and
8 the prehearing order do mention briefs is correct. My
9 interpretation of that has always been in the context of the
10 second portion of the paragraph that says if you don't file a
11 brief, then you waive your positions.

12 I understand the argument that he would like to argue
13 the law and have a brief to present that to the Commission.
14 But we have got to keep in mind that the briefs would be
15 considered by the Commission, but the agenda conference is
16 between Staff and the Commission. Mr. Friedman could make his
17 argument and this Commission would consider that. But just as
18 the facts are simple -- well, that everyone sort of agrees that
19 Mr. Cozier owns these interrelated companies. I think the law
20 is fairly simple, at least what OPC's position and what the
21 utility's are, that the utility would say that you can't,
22 quote, pierce the corporate veil. I think OPC would say that
23 you can pierce the corporate veil. And I think the Commission
24 with what they have heard can make a determination on what they
25 believe the law to be, at least the factual part of it. Mr.

1 Friedman has the opportunity to appeal that if he believes the
2 Commission reaches the wrong result.

3 In conclusion, I believe in the interest of
4 preventing delay, an expensive resolution of the case, to get
5 us moved along, and in that I don't know that briefs on what
6 the law of corporate liability are essential to your decision
7 today. Staff, or at least Legal Staff would recommend that you
8 can, in fact, have a bench decision, should you decide to do
9 that.

10 COMMISSIONER DEASON: Commissioners, first of all,
11 let me say I'm looking for a joint decision here. But let me
12 kind of lay out where I am. I believe it is within our
13 discretion to have a bench decision. The question is whether
14 we want to exercise it.

15 I am compelled by what Mr. Friedman indicated, that
16 he was relying upon the prehearing order, and that he felt that
17 he was going to have an opportunity to file a legal brief on
18 legal questions that primarily relates to the potential for a
19 refund, and corporate structure and corporate entities, and
20 that he is not prepared to make that legal argument in a
21 closing argument at this time because of his reliance on the
22 prehearing order.

23 While I think that we can go forward and make a
24 decision, it is within our discretion, I do agree with Staff
25 counsel that that language in the prehearing order perhaps is

1 ambiguous. I always interpreted it that it did not necessarily
2 mean you had a right to file a brief, but that if the
3 Commission wanted briefs, that if you wanted to preserve your
4 positions you had to file a brief, and that if did you not file
5 a brief that you potentially could be waiving your positions.

6 However, I do understand Mr. Friedman's reliance on
7 this language. I can see where he could interpret it that way.
8 So I think that in the future, and, Mr. Harris, you may want to
9 take this back and discuss it with general counsel, that
10 perhaps our prehearing orders need to be more clear that that
11 language concerning filing of briefs does not necessarily give
12 a right to a brief. And that in cases where we contemplate
13 that a bench decision may be appropriate, perhaps that language
14 should be included in the prehearing order, at least discussed
15 at the prehearing conference.

16 I am very sensitive to the size of this utility and
17 the impact on customers of additional rate case expense. Mr.
18 Friedman, I think you should be sensitive to that also, and
19 your client should be sensitive. And I have no reason to
20 believe they are not sensitive to the fact that rate case
21 expense can have an impact upon customers. And my only request
22 is that if we do not make a bench decision and we carry
23 forward, that you take that into consideration and be
24 expeditious in preparing that legal argument.

25 I don't want you to do anything second rate, that is

1 not what I am asking you to do, but just be conscious of the
2 impact upon customers. That is just a request from the bench,
3 one Commissioner speaking. But, Commissioners, I would open it
4 up for your comments, as well, and take it from there as to how
5 we should proceed. But I just felt like I should at least
6 initially indicate what my reaction is.

7 COMMISSIONER DAVIDSON: Thank you, Chairman. I agree
8 with and echo your comments. I do believe that we have the
9 authority to issue a bench decision today. I'm not going to
10 recommend that or move that, but I do believe we have that
11 authority. I do believe it would be prudential. I believe
12 that a bench decision would be sustained. But I also
13 understand counsel's reliance on a prehearing order that
14 suggested, at least in counsel's view, they had a right to file
15 a brief on this issue.

16 That said, I do believe the prehearing officer and
17 the Commission generally has the inherent authority, as
18 recognized in the order, to modify the prehearing order and
19 provide for a bench decision. Again, I'm not going to do that.

20 My own view on this issue and hopefully you can
21 address this in the briefs, is that under general principles of
22 business law and corporate liability, including
23 well-established piercing the corporate veil principles, it is
24 my view that Highvest, based on the record developed so far,
25 that Highvest and L.P. can be held legally responsible for the

1 refunds that are due from Woodlands. But, again, that will be
2 addressed in the briefs.

3 I say that to sort of let the parties know where I
4 stand right now on that issue, but I would also like to
5 emphasize the rate case expense issue. The Commission has the
6 broadest discretion to award rate case expense. And, again, I
7 believe that we could decide this case today here and now, and
8 could have a sustainable decision that would withstand an
9 appeal. But, again, it is for the parties to brief that issue.

10 But unless there is something really compelling that
11 is put forth in those briefs, as I sit here today, I am not of
12 the mind that substantial rate case expense should be added
13 into this proceeding. Those are my comments.

14 COMMISSIONER DEASON: Thank you.

15 Commissioner Bradley, do you have anything to add?

16 COMMISSIONER BRADLEY: Yes. I think that my
17 colleagues have pretty much summed up the issues as it relates
18 to this particular case. And also I would admonish counsel to
19 be prudent and to be mindful of the fact that additional legal
20 action can result in additional cost to the customers. And I,
21 by all means, would ask you to be prudent and to do as prudent
22 of a job as you can as it relates to not escalating that
23 particular fee. That is my primary concern.

24 Also I agree that this Commission or this panel does
25 have the authority to issue a bench decision. But in an

1 attempt to be fair to everyone here today, and to give everyone
2 an equal opportunity to maybe come up with some additional
3 information that maybe has not been presented here today, I
4 will concur with my colleagues and not agree to a bench
5 decision.

6 But, again, my concern is that this case does not
7 escalate in terms of the expense to the customers in terms of
8 the fees, the legal fees. And with that, I'm finished.

9 COMMISSIONER DEASON: Thank you, Commissioner.

10 I take it then that we are not going have a bench
11 decision. But I want to thank staff for bringing that to our
12 attention as a possibility. I think it is your responsibility
13 to do that. If you feel that you are in a position to make an
14 oral recommendation, that you should do that. And it is just
15 something that is presented -- it is an option presented to the
16 Commissioners. Options to Commissioners, that is a good thing.
17 We like to have that, so we appreciate that. But we are not
18 going to take advantage of that opportunity this time.

19 But I would encourage you in future prehearing
20 conferences, and we may want to look at our standard language
21 that we incorporate in prehearing orders, to make it clear that
22 the Commission always retains the discretion to make a bench
23 decision. I think that that would be good for the parties to
24 understand that, and it would probably highlight the need to
25 discuss that at the prehearing conference.

1 I'm sure that the majority of cases before the
2 Commission probably do not lend themselves to bench decisions,
3 due to the voluminous nature of the issues and the complexity
4 of the issues. This was a PAA procedure, there were a limited
5 number of issues that were protested. Cases of this sort may
6 lend themselves to bench decisions, if it is clear to all the
7 parties that that is contemplated. And so that is something
8 for future consideration.

9 MR. HARRIS: I would ask one thing, Commissioners,
10 and this would be for Mr. Friedman. The item I submitted
11 through Mr. Lovelette was rate case expense, the updated thing.
12 I would ask perhaps we get the utility to file, or the
13 Commission order the utility to file an updated accounting of
14 rate case expense through today's hearing. That would help
15 staff in the preparation of a recommendation for you all, since
16 we are going to be going to recommendations. If we can get
17 updated information as to actual rate case expense through
18 today, and then an estimate of what will be required through
19 briefing and the agenda conference it would be very helpful.

20 COMMISSIONER DAVIDSON: I can move that.

21 COMMISSIONER DEASON: Mr. Friedman, can you file a
22 late-filed exhibit updating rate case expense? Through today's
23 hearing, is that what you're requesting, Counsel?

24 MR. HARRIS: Actual through today, and then an
25 estimated through the remainder of the case.

1 MR. FRIEDMAN: I can certainly do that. I'm trying
2 to remember what -- the one I filed I just filed last week,
3 which would have been through April.

4 MR. HARRIS: The exhibit was actual through April, I
5 believe.

6 MR. FRIEDMAN: Through April, but it would have had
7 the May -- well, it may not have had May.

8 UNIDENTIFIED SPEAKER: Estimated May.

9 MR. FRIEDMAN: Okay. Well, May was not all
10 estimated. I mean, some of it was actual. Because we only
11 bill once a month. Some of it was I went through my time slips
12 and got what I had actually done through that date, and then I
13 estimated the rest. But, I mean, I can --

14 COMMISSIONER DEASON: If you can update it, fine.
15 And if it does not need updating, just file something
16 indicating that the exhibit already in evidence is accurate.

17 MR. FRIEDMAN: It should be easier for me if we get
18 it by the end of the month. I don't know if that makes a whole
19 lot of difference.

20 MR. HARRIS: The end of the month is through May
21 31st.

22 MR. FRIEDMAN: Well, that is two days --

23 MR. HARRIS: That is two days from now.

24 MR. FRIEDMAN: If we can do it through the end of May
25 it would be easier, I think.

1 (Simultaneous conversation.)

2 COMMISSIONER DEASON: I think he has agreed to update
3 it through the end of May.

4 MR. FRIEDMAN: When in June would you like it? I
5 mean, I don't think I can get it to you June 1st. It's a
6 Sunday. The 2nd and 3rd I'm in Tallahassee, but I certainly
7 can do it by that Friday, whatever next Friday is.

8 COMMISSIONER BRADLEY: And I will second the motion.

9 MR. HARRIS: I believe that is June 8th. June 6th,
10 I'm sorry. So if we could have it by June 6th.

11 COMMISSIONER DEASON: We are going to have a
12 late-filed exhibit, and it will be Hearing Exhibit Number 6.
13 It will be an update of rate case expense through May 31st.
14 And Staff is looking for that exhibit to be filed the first
15 Friday in June.

16 MR. FRIEDMAN: That's fine. The 6th?

17 COMMISSIONER DEASON: I believe it is the 5th of
18 June.

19 (Late-filed Exhibit 6 marked for identification.)

20 MR. HARRIS: That would be June 6th, 2003.

21 COMMISSIONER BRADLEY: Do we need a motion in order
22 to --

23 COMMISSIONER DEASON: I think we can just take care
24 of it. In fact, counsel has agreed to do that, and we will
25 just go ahead and list it as an issue. I mean, we will just

1 list it as a late-filed exhibit.

2 COMMISSIONER BRADLEY: I will withdraw the second.

3 COMMISSIONER DEASON: Staff, do you have anything
4 further at this point?

5 MR. HARRIS: Nothing further other than the note that
6 according to the case schedule that is out, the briefs will be
7 due on June the 18th, 2003, and we are currently scheduled for
8 a staff recommendation to be filed July 24th, 2003, with an
9 agenda conference on August the 5th, 2003.

10 COMMISSIONER DEASON: Okay. Mr. Burgess, do you have
11 anything at this point?

12 MR. BURGESS: Nothing further from us.

13 COMMISSIONER DEASON: Mr. Friedman, do you have --

14 MR. FRIEDMAN: Nothing further.

15 COMMISSIONER DEASON: Okay. Commissioners, anything?
16 Let me take this opportunity, once again, to thank everyone for
17 your participation. We accomplished a lot for a one day -- we
18 went through a lot in one day. We appreciate the customers,
19 your patience with us, and for your attendance at the hearing.
20 And with that, this hearing is adjourned.

21 (The hearing concluded at 6:35 p.m.)

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STATE OF FLORIDA)

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CERTIFICATE OF REPORTER

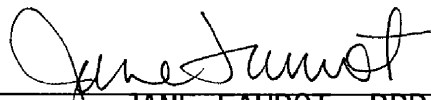
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Office of Hearing Reporter Services, FPSC Division of Commission Clerk and Administrative Services, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

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

DATED THIS 5th day of June, 2003.



JANE FAUROT, RPR
Chief, Office of Hearing Reporter Services
FPSC Division of Commission Clerk and
Administrative Services
(850) 413-6732