

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

APRIL 6, 2004

RE: Docket No. 030444-WS - Application for rate increase in Bay County by Bayside Utility Services, Inc.

Issue 1: Should the utility's proposed water and wastewater rates be suspended?

Recommendation: Yes. Bayside's proposed water and wastewater rates should be suspended. The docket should remain open pending the Commission's final action on the utility's requested rate increase.

**APPROVED**

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

*Chuck M. Dard*  
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*Mark J. ...*  
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*Merritt ...*  
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*Tom ...*  
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*Cheryl Bradley*  
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REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

04311 APR-6 04

FPSC-COMMISSION CLERK

VOTE SHEET

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Docket No. 030444-WS - Application for rate increase in Bay County by Bayside Utility Services, Inc.

(Continued from previous page)

Issue 2: Should an interim revenue increase be approved?

Recommendation: Yes. On an interim basis, the utility should be authorized to collect annual water and wastewater revenues as indicated below:

	<u>Adjusted Test Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue Requirement</u>	<u>% Increase</u>
Water	\$65,894	\$42,547	\$108,441	64.57%
Wastewater	\$92,613	\$51,145	\$143,758	55.22%

**APPROVED**

Issue 3: What are the appropriate interim water and wastewater rates?

Recommendation: The service rates for Bayside in effect as of December 31, 2002, should be increased by 65.52% for water and 56.04% for wastewater to generate the recommended revenue increases for the interim period. The approved rates should be effective for service rendered as of 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 should not be implemented until the required security has been filed. The utility should provide proof of the date notice was given within 10 days after the date of notice.

**APPROVED**

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(Continued from previous page)

Issue 4: What is the appropriate security to guarantee the interim increase?

Recommendation: A corporate undertaking is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc. (UI), and written confirmation of UI's oral attestation that it does not have any outstanding guarantees on behalf of UI-owned utilities in other states. UI should be required to file a corporate undertaking on behalf of its subsidiaries to guarantee any potential refunds of water and wastewater revenues collected under interim conditions. As discussed in the recommendation for Docket No. 030446-SU on this same agenda, staff has recommended an incremental corporate undertaking guarantee of \$58,758. In this docket, staff is recommending an incremental amount subject to refund of \$46,964. These two incremental increases will raise the total cumulative guarantee to \$809,902, which can be supported by UI. Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code.

**APPROVED**