

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

JULY 6, 2004

RE: Docket No. 030445-SU - Application for rate increase in Lee County by Utilities, Inc. of Eagle Ridge.

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

Recommendation: Yes. Eagle Ridge's proposed 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: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

Charles M. Dool
[Signature]
[Signature]
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DISSENTING

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

VOTE SHEET

JULY 6, 2004

Docket No. 030445-SU - Application for rate increase in Lee County by Utilities, Inc. of Eagle Ridge.

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Issue 2: Should an interim revenue increase be approved?

Recommendation: Yes. The interim increase should be approved with adjustments as set forth in the analysis portion of staff's June 24, 2004 memorandum. On an interim basis, the utility should be authorized to collect annual wastewater revenues as indicated below:

	<u>Test Year</u> <u>Revenues</u>	<u>\$ Increase</u>	<u>Revenue</u> <u>Requirement</u>	<u>% Increase</u>
Wastewater	\$712,336	\$62, 666	\$775,002	8.80%

APPROVED

Issue 3: What are the appropriate interim wastewater rates?

Recommendation: The service rates for Eagle Ridge in effect as of December 31, 2002, should be increased by 8.82% to generate the recommended revenue increase 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. Also, the rates should not be implemented until the required security has been filed. The utility should provide proof to staff of the date notice was given within 10 days after the date of notice.

APPROVED

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 wastewater revenues collected under interim conditions. Staff has recommended an incremental corporate undertaking guarantee in this docket of \$31,414. This request will raise UI's total guarantee to a cumulative amount of \$460,929. 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