

VOTE SHEET

January 23, 2007

Docket No. 060262-WS – Application for increase in water and wastewater rates in Pasco County by Labrador Utilities, Inc.

Issue 1: Should Labrador’s request for a rate increase be approved?

Recommendation: No. The data supplied by Labrador is insufficient to determine a revenue requirement and set reasonable rates. The burden of proof is upon the utility to show that its present rates are unreasonable, fail to compensate the utility for its prudently incurred expenses and fail to produce a reasonable return on its investment. Labrador has not presented credible evidence regarding the number of kgal actually sold during the 2005 test year, and that its 2005 and 2006 kgal sold data are irreparably flawed. Because the utility has not met its burden to prove that a rate increase is warranted, staff recommends that the utility’s request for a rate increase in the instant case should be denied.

APPROVED

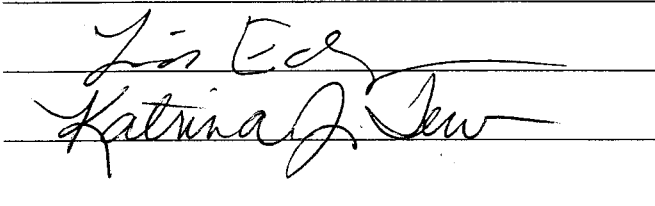
COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS’ SIGNATURES

MAJORITY

DISSENTING





REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

00613 JAN 23 08

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Issue 2: What are the appropriate water and wastewater rates?

Recommendation: Labrador's appropriate rates should be the rates in effect prior to the approval of interim rates. The utility should file tariff sheets to reflect the appropriate rates. The appropriate rates are listed in staff's analysis portion of the January 10, 2007, memorandum.

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Issue 3: Should Labrador be required to refund any interim revenues collected?

Recommendation: Yes. The interim revenue increase granted in Order No. PSC-06-0668-FOF-WS, should be refunded with interest, pursuant to Rule 25-30.360, Florida Administrative Code (F.A.C.).

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Issue 4: Should Labrador Utilities, Inc. be ordered to show cause in writing, within 21 days, why it should not be fined for its apparent failure to comply with the requirements of Order No. PSC-04-1281-PAA-WS to: (1) adjust its books to reflect the adjustments to all the applicable primary accounts required by that Order; and, (2) to test all of its meters by June 30, 2005, make any necessary repairs or adjustments, maintain a log of all meters tested, and file quarterly reports?

Recommendation: Yes. Labrador Utilities, Inc. should be ordered to show cause in writing, within 21 days, why it should not be fined a total of \$3,500 for its apparent failure to timely comply with the requirements of Order No. PSC-04-1281-PAA-WS. The order to show cause should incorporate the conditions stated in the staff analysis.

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Issue 5: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action issues files a protest within 21 days of the issuance of the order, a consummating order will be issued for the proposed agency action issues. The docket should remain open for staff's verification that the revised tariff sheets and customer notice have been filed by the utility and approved by staff, and that the interim refund has been completed and verified by staff. If Labrador pays the \$3,500 in fines, the docket should be closed administratively upon staff's verification of the above items. If the utility timely responds in writing to the Order to show cause, the docket should remain open to allow for the appropriate processing of the response.

APPROVED