

VOTE SHEET

September 11, 2007

Docket No. 070074-SU – Application for staff-assisted rate case in Okeechobee County by The Vantage Development Corporation.

(All issues proposed agency action except for Issues 10 & 11)

Issue 1: Is the quality of service provided by Vantage Development Corporation considered satisfactory?

Recommendation: Yes. The quality of service provided by Vantage Development Corporation should be considered satisfactory.

APPROVED

Issue 2: What portions of The Vantage Development Corporation system are used and useful?

Recommendation: Both the wastewater treatment plant and wastewater collection systems should be considered 100% used and useful.

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures in the Majority column]

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

08227 SEP 11 5

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Issue 3: What is the appropriate average test year rate base for the utility?

Recommendation: The appropriate average test year rate base for Vantage should be \$168,771.

APPROVED

Issue 4: What are the appropriate rate of return on equity and overall rate of return for this utility?

Recommendation: The appropriate return on equity is 9.07% with a range of 8.07% - 10.07%. The appropriate overall rate of return is 9.07%.

APPROVED

Issue 5: What is the appropriate test year revenue?

Recommendation: The appropriate test year revenue for this utility is \$^{108,528}~~122,976~~ for wastewater.

APPROVED

with modification as noted above.

Issue 6: What are the appropriate amount of operating expenses?

Recommendation: The appropriate amount of operating expenses for the utility is \$109,441.

APPROVED

Issue 7: What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement is \$124,748 for wastewater.

APPROVED

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Issue 8: What is the appropriate rate structure for the utility?

Recommendation: The appropriate rate structure for this utility is a base facility and gallonage charge rate structure.

APPROVED

Issue 9: What are the appropriate wastewater rates for the utility?

Recommendation: The appropriate wastewater monthly rates are shown on Schedule No. 4 of staff's August 29, 2007, memorandum. The recommended rates should be designed to produce revenue of \$124,748, excluding miscellaneous service charges. The utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

APPROVED

Issue 10: What is the appropriate amount by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, Florida Statutes?

Recommendation: The wastewater rates should be reduced as shown on Schedule No. 4 of staff's August 29, 2007, memorandum, to remove rate case expense grossed up for regulatory assessment fees and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. The utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

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Issue 11: Should the recommended rates be approved for the utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), Florida Statutes, the recommended rates should be approved for the utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the utility. Prior to implementation of any temporary rates, the utility should provide appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the utility shall be subject to the refund provisions discussed in the analysis portion of staff's August 29, 2007, memorandum. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the utility should file reports with the Commission's Division of Economic Regulation no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

APPROVED

Issue 12: Should the utility be authorized to collect customer deposits, and if so, what are the appropriate deposits?

Recommendation: The appropriate customer deposits should be as specified in the analysis portion of staff's August 29, 2007, memorandum. The utility should file tariff sheets, which are consistent with the Commission's vote. Staff should be given administrative authority to approve the revised tariff sheets upon staff's verification that the tariffs are consistent with the Commission's decision. If the tariff sheets are filed and approved, the customer deposits should become effective for connections made on or after the stamped approval date on the revised tariff sheets, if no protest is filed.

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Issue 13: 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. However, 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. When the PAA issues are final and the tariff and notice actions are complete, this docket may be closed administratively.

APPROVED