

VOTE SHEET

September 25, 2007

Docket No. 070293-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

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

Recommendation: Yes. KW Resort's proposed final wastewater rates should be suspended.

APPROVED

Issue 2: Should any interim revenue increase be approved?

Recommendation: Yes. The utility should be authorized to collect annual wastewater revenues as indicated below:

	<u>Adjusted Test Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue Requirement</u>	<u>% Increase</u>
Wastewater	\$1,023,714	\$204,008	\$1,227,722	19.93%

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Neil A. Igo
Katrina J. McMurrin
Jim Edy
[Signature]
[Signature]

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

08761 SEP 25 5

FPSC-COMMISSION CLERK

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(Continued from previous page)

Issue 3: What are the appropriate interim wastewater rates?

Recommendation: The wastewater service rates for KW Resort in effect as of December 31, 2006, should be increased by 21.44% 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)(a), Florida Administrative Code (F.A.C.), provided customers have received notice. The rates should not be implemented until staff verifies that the tariff sheets are consistent with the Commission decision, the proposed customer notice is adequate, and 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

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

Recommendation: The utility should be required to open an escrow account, or file a surety bond or a letter of credit to guarantee any potential refunds of revenues collected under interim conditions. If the utility chooses to open an escrow account, it should deposit 21.44% of interim revenues collected each month. The surety bond or letter of credit should be in the amount of \$173,904. Pursuant to Rule 25-30.360(6), F.A.C., 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, F.A.C.

APPROVED

Issue 5: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission's final action on the utility's requested rate increase.

APPROVED