

VOTE SHEET

April 21, 2009

Docket No. 010503-WU – Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

Docket No. 060606-WS – Progress reports on implementation of Anion Exchange in Pasco County, filed by Aloha Utilities, Inc., pursuant to Order PSC-06-0270-AS-WU.

Docket No. 060122-WU – Joint petition for approval of stipulation on procedure with Office of Public Counsel, and application for limited proceeding increase in water rates in Pasco County, by Aloha Utilities, Inc.

Docket No. 090120-WS – Joint notice by Aloha Utilities, Inc. and the Florida Governmental Utility Authority of transfer of water and wastewater assets to the Florida Governmental Utility Authority, in Pasco County, and cancellation of Certificate Nos. 136-W and 97-S.

Issue 1: Does the Commission have continuing jurisdiction over the interim revenues collected subject to refund and originally on deposit in an escrow account pursuant to Order Nos. PSC-01-2199-FOF-WU, issued November 13, 2001, PSC-06-0270-AS-WU, issued April 5, 2006, in Docket No. 010503-WU, and, if so, what is the appropriate disposition of the escrowed funds which are currently being held pursuant to Order No. PSC-06-0270-AS-WU?

Recommendation: Yes, because these funds were deposited and came under the control of the Commission prior to the sale of Aloha Utilities, Inc., to the Florida Governmental Utility Authority, they remain under Commission jurisdiction. Based on the principles of administrative finality, the Commission should order the release of \$74,239 to the Utility. In order to mitigate any future rate increase by the FGUA for the benefit of the customers, the Customer Intervenors' and Petitioners' Motion to Establish a Rate Stabilization Escrow Account should be approved. The amount to be transferred to the Rate Stabilization Escrow Account should be the

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Neil A. Skop (Concurring with separate opinion)

Katrina J. McMurrin

[Signature]

Nancy Argenziano by Leg. Kevin Skop (Issues 1 and 2 only)

REMARKS/DISSENTING COMMENTS: Commissioner Skop reserves the right to write a concurring opinion favoring giving a direct refund to the consumers for the reasons stated at the Commission Conference. Commissioner Argenziano participated in the discussion, and voted on, Issues 1 and 2 by telephone and will sign the vote sheet upon return to the office.

DOCUMENT NUMBER-DATE

03754 APR 23 08

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current outstanding balance in the escrow account less the \$74,239 associated with the rate case period. In addition, the Commission should order Aloha to work with staff to transfer the interim rate funds from the Regions Bank escrow account to an independent financial institution, consistent with the terms and conditions contemplated by Order No. PSC-01-2199-FOF-WU, by which the escrow account was originally established. If an independent alternative escrow agent is not selected and the funds not transferred to a new escrow account by April 28, 2009, the Commission should authorize staff to take such steps as are necessary to secure a new escrow agent to maintain the interim funds pending resolution of this matter, including, if necessary, enforcing the Commission's order in a court of competent jurisdiction.

MODIFIED The full escrow amount to be given to Florida Governmental Utility Authority for the establishment of a Rate Stabilization Escrow Account.

Issue 2: Should Docket No. 010503-WU be closed?

Recommendation: No. This docket should remain open pending staff's verification of the establishment of the rate stabilization escrow account in accordance with the Commission's decision. Once the rate stabilization escrow account has been established, this docket should be closed administratively.

MODIFIED The docket to remain open pending final disposition of the matters in Issue 1.

Issue 3: Should Docket No. 060606-WS be closed?

Recommendation: Yes. Docket No. 060606-WS should be closed if the Commission acknowledges FGUA's purchase of Aloha's facilities. This docket was established to track Aloha's progress of designing and installing the plant necessary to implement anion exchange. However, FGUA has recently purchased Aloha's facilities and does not intend to implement anion exchange. Additionally, Aloha has complied with the outstanding show cause order issued in this docket by paying the fine of \$15,000.

APPROVED

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Issue 4: Should Docket No. 060122-WU be closed?

Recommendation: Yes, Docket No. 060122-WU should be closed if the Commission acknowledges FGUA's purchase of Aloha's facilities.

APPROVED

Issue 5: Should the transfer of Aloha Utilities, Inc. water and wastewater facilities to Florida Governmental Utility Authority be approved and ~~the cancellation of~~ Certificate Nos. 136-W and 97-S be ~~cancelled~~ approved?

Recommendation: Yes. The transfer of the Aloha's water and wastewater facilities to the FGUA should be approved as a matter of right, pursuant to Section 367.071(4)(a), F.S., ~~and Certificate Nos. 136-W and 97-S should be cancelled~~ effective February 27, 2009. Consistent with Rule 25-30.037, F.A.C., upon the disposition of any outstanding regulatory assessment fees, fines or refunds owed, and the completion of all pending proceedings before the Commission, Certificate Nos. 136-W and 97-S should be cancelled.

APPROVED

All rule transfer requirements will be met before certificates are cancelled, consistent with the discussion at the Commission Conference.

Issue 6: Should Aloha Utilities, Inc. be required to file its 2008 annual report?

Recommendation: Yes. Aloha should be required to file its 2008 annual report by May 21, 2009. If the report is not filed by that date, a penalty should accrue beginning with the due date, March 31, 2009, with interest to accrue beginning June 20, 2009.

APPROVED

Aloha Utilities, Inc. has agreed to provide information required by staff in order for them to be able to verify the regulatory assessment fee paid. With receipt of this information, the annual report would be deemed filed.

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Issue 7: Should Docket No. 090120-WS be closed?

Recommendation: No. This docket should remain open pending final disposition of all issues in Docket No. 010503-WU and the filing of its 2008 annual report. Upon closure of that docket, this docket should be closed administratively.

APPROVED