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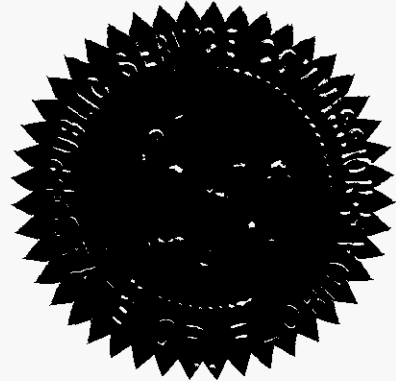
BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 080712-SU

In the Matter of:

APPLICATION FOR APPROVAL OF NEW
CLASS OF SERVICE FOR REUSE WATER
SERVICE IN MARTIN COUNTY BY
INDIANTOWN COMPANY, INC.



PROCEEDINGS: AGENDA CONFERENCE
ITEM NO. 6

COMMISSIONERS
PARTICIPATING: CHAIRMAN MATTHEW M. CARTER, II
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER KATRINA J. McMURRIAN
COMMISSIONER NANCY ARGENZIANO
COMMISSIONER NATHAN A. SKOP

DATE: Tuesday, May 19, 2009

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, RPR, CRR
Official FPSC Reporter
(850) 413-6734

DOCUMENT NUMBER - DATE

U5453 JUN-28

FPSC-COMMISSION CLERK

P R O C E E D I N G S

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3 **COMMISSIONER EDGAR:** That will bring us to
4 Item 6, and we will wait just a moment to let our staff
5 get settled.

6 **CHAIRMAN CARTER:** Madam Chair, I'm sorry about
7 the noise in the background. My neighbor has his leaf
8 blower out there.

9 **COMMISSIONER EDGAR:** We're doing fine.

10 **CHAIRMAN CARTER:** Okay. Thank you.

11 **COMMISSIONER EDGAR:** Okay. I'll ask our staff
12 to introduce the item, and I understand we have an oral
13 modification, and ask you to present that as well.

14 **MR. MOURING:** Commissioners, I'm Curt Mouring,
15 Commission staff. Item 6 relates to staff's
16 recommendation for approval of a new class of service
17 for reuse water for Indiantown Company, Inc. Staff has
18 an oral modification for the recommendation paragraph of
19 Issue 1 to include language for noticing and the
20 effective date of the tariff. The Commission has
21 already been approved -- provided this modification.
22 Staff is prepared to answer any questions that the
23 Commission may have.

24 **COMMISSIONER EDGAR:** Thank you.

25 Commissioner Skop.

1 **COMMISSIONER SKOP:** Thank you, Madam Chairman.
2 Just a quick question on this item also.

3 I guess when we had our meeting to discuss it
4 with staff -- I guess typically when a water and
5 wastewater utility is creating a reuse type program, as
6 the tariff reflects, it's often necessary not to charge
7 for the initial quantities until you can bring some
8 customers onboard. Is that correct?

9 **MR. FLETCHER:** That's correct.

10 **COMMISSIONER SKOP:** Okay. I guess the
11 question I had -- and I thank staff for providing me
12 with the reclaimed water agreement that they provided
13 yesterday afternoon. Would that analysis change in any
14 way if the term of that agreement is until 2025 to the
15 extent that what incentive would Indiantown have to
16 pursue reuse water other than having a customer that's
17 willing to take it for such a length of time?

18 **MR. FLETCHER:** I don't believe the term of
19 that could be addressed in their next rate proceeding.
20 As the years go by, the reuse service is being provided.
21 That can be addressed in their next rate proceeding, the
22 rate.

23 **COMMISSIONER SKOP:** Wouldn't that be somewhat
24 putting the cart ahead of the horse to the extent that
25 that agreement would be binding? Certainly I guess it

1 leaves room for negotiating or giving the residual
2 water, reuse water to Indiantown CoGen. But, again,
3 absent -- if I had a long-term agreement, I might not be
4 sufficiently motivated to, to really pursue vigorously
5 selling reuse water.

6 **MR. FLETCHER:** That agreement -- the
7 Commission would not be bound and we could look at that
8 in the next rate proceeding, even though that is
9 between, that agreement is between the parties, but we
10 can closely monitor that. And we do know that they have
11 developer agreements, they are putting in the reuse
12 lines and aggressively pursuing the connection of the
13 residential customers.

14 **COMMISSIONER SKOP:** Okay. Fair enough. Madam
15 Chair, if there are no further questions, I'd move
16 staff's recommendation as to Issues 1 and 2.

17 **COMMISSIONER McMURRIAN:** Second.

18 **CHAIRMAN CARTER:** I would second, if there are
19 no questions.

20 **COMMISSIONER EDGAR:** Okay. Thank you.
21 Commissioners, we have a motion and a second for all
22 issues on Item 6 as modified. Any discussion? Hearing
23 none, all in favor of the motion, say aye.

24 (Unanimous affirmative vote.)

25 Opposed? Show it adopted. Thank you.

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(Agenda item concluded.)

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STATE OF FLORIDA)
 :
COUNTY OF LEON)

CERTIFICATE OF REPORTER

I, LINDA BOLES, RPR, CRR, Official Commission Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorneys or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 29 day of June,
2009.

Linda Boles
LINDA BOLES, RPR, CRR
FPSC Official Commission Reporter
(850) 413-6734