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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 100085-WU

APPLICATION FOR CERTIFICATE TO
OPERATE WATER UTILITY IN LAKE
COUNTY BY BLACK BEAR RESERVE
WATER CORPORATION.

_____ /

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 8

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER EDUARDO E. BALBIS
COMMISSIONER JULIE I. BROWN

DATE: Tuesday, October 4, 2011

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

REPORTED BY: JANE FAUROT, RPR
Official FPSC Reporter
(850) 413-6732

DOCUMENT NUMBER-DATE

07354 OCT-7 =

P R O C E E D I N G S

1
2 **CHAIRMAN GRAHAM:** Item Number 6 was on Move
3 Staff. Item Number 7 was deferred. So we are at Item
4 Number 8.

5 **MS. BRADY:** Commissioners, I'm Pat Brady with
6 Commission staff. Item Number 8 is --

7 **CHAIRMAN GRAHAM:** Ms. Brady, just a minute.

8 **MS. BRADY:** I'm sorry.

9 (Pause.)

10 **CHAIRMAN GRAHAM:** Ms. Brady.

11 **MS. BRADY:** Item Number 8 is an application
12 for a water certificate in Lake County by Black Bear
13 Reserve Water Corporation. It includes a joint motion
14 requesting Commission approval of a stipulation and
15 settlement agreement appended to the recommendation as
16 Attachment A. Staff is recommending that the joint
17 motion be approved, and that Black Bear be granted an
18 original water certificate and rates and charges. Here
19 to address the Commission is Marsha Rule for the
20 utility, and --

21 **MR. REILLY:** Steve Reilly with the Office of
22 Public Counsel.

23 **MS. BRADY:** Staff is prepared to answer any
24 questions that you may have at this time.

25 **CHAIRMAN GRAHAM:** Thank you.

1 Public Counsel.

2 MR. REILLY: I was going to defer for counsel
3 to make an argument on several issues. I was only
4 going to speak to Issue 3, after she makes her
5 argument.

6 CHAIRMAN GRAHAM: Okay.

7 MS. RULE: Thank you. Good morning, Mr.
8 Chairman and Commissioners. I'm Marsha Rule of the law
9 firm Rutledge, Ecenia, and Purnell, and I am very proud
10 to be here today representing the Black Bear Reserve
11 Water Corporation. With me today is Ms. Deb Spicer
12 (phonetic), she is a homeowner, and Wayne Smith, and
13 Rick Don, and they are members of the board of
14 directors of the water company.

15 This is the company's first appearance
16 before you, and I'd like to tell you a little bit
17 about their history, and then also let you know why
18 the homeowners are here with me today.

19 Black Bear Reserve Water Corporation is
20 located in Lake County, Florida. It's near Eustis.
21 It's is wholly owned by the Black Bear Reserve
22 Homeowners Association, and it provides water to
23 about 300 customers. Up until 2009, both the
24 homeowners association and the water corporation
25 were controlled by the developer. There were a

1 series of problems with the developer after which
2 the homeowners held a recall election and took over
3 control in about late 2009.

4 And as the people here can tell you, when
5 they took over they found a huge can of worms.
6 There was no money in the homeowners association
7 bank accounts. No record of where their dues had
8 gone. No money in the water company accounts. No
9 account books; no record of what had been done with
10 the money paid into either association. No billing
11 records; no bank records; no operating manuals; no
12 computers. And the new board of director also found
13 out that some of the people who were receiving water
14 service weren't members of the homeowners
15 association, and that meant that they were subject
16 to your jurisdiction.

17 These folks are truly remarkable. They
18 started from scratch. They dug right in, and they
19 started running a water company themselves. They
20 worked hard from the very beginning to do the right
21 thing by the company and by the other homeowners.
22 They stepped up to get regulated. They learned the
23 water business. They set up account books. They
24 started billing customers. They worked with the
25 Department of Environmental Protection to bring the

1 wells into compliance. They spent countless hours
2 trying to trace funds and assets, and they applied
3 for certification.

4 They didn't have any books and records, so
5 the Commission did an original cost study, and in
6 the process they adopted the NARUC Uniform System of
7 Accounts. They put together a draft tariff. They
8 did without pay, without legal counsel, and on top
9 of their other jobs and responsibilities. And
10 thanks to their hard work, and a lot of hard work
11 from staff for which we are very grateful, the
12 company is now here before you for certification.

13 And these homeowners are asking for your
14 help on two issues. First, we are asking that you
15 deny staff's recommendation on Issue 3. Although
16 the company was not certificated in 2010, this year
17 staff asked them to pay the 2010 regulatory
18 assessment fee, and they did. We are asking for a
19 refund, or at the very least that those funds be
20 credited against the 2011 regulatory assessment fee
21 that will be due. And we are also asking that you
22 set the starting date for payment of the regulatory
23 assessment fee beginning today.

24 Staff agrees that this is within your
25 discretion, but recommends against our request. In

1 making your decision, we are asking that you keep a
2 couple of different things in mind, and these things
3 are important to the homeowners. First is Mr. Smith
4 can confirm, staff made it very clear that the
5 company could not change its rates pending
6 certification. So in 2011 when staff told the
7 company to go ahead and pay the 2010 fees, it had no
8 way to recoup these costs at that time. And
9 further, as the staff recommendation shows in Issue
10 2, the company's annual report indicates a net loss.

11 The majority of the homeowners who receive
12 service are members of the homeowners association,
13 but some are not. So if the homeowners association
14 has to step in and contribute funds to make up the
15 operating deficit, then the customers who are
16 members of the homeowners association will end up
17 subsidizing those people who are not members, and we
18 believe that is not only unfair, but it goes against
19 your general principle of pushing the costs on to a
20 cost-causer.

21 We are also asking you to deny part of
22 staff's recommendation in Issue 6. And as staff
23 explains, in many cases the developer installed
24 backflow preventers on the company's side of the
25 meter instead of the customer's side, even though

1 the backflow preventers belong to the customers. We
2 don't know why that was done, but that is the way it
3 is.

4 We think the most reasonable thing to do
5 in this situation is leave them where they are right
6 now, but if they need to be repaired or replaced in
7 the future, they should be moved to the customer's
8 side of the meter at that time by the customer's
9 selected contractor.

10 But because this removal work is going to
11 be done on the customer's side of the meter -- I'm
12 sorry, on the company's side of the meter, and
13 because the company is responsible for maintaining
14 the integrity of its system, the company proposes a
15 \$16 premises visit charge to cover the costs of
16 having a company representative go out before the
17 contractor backfills the work site. This is the
18 same amount that the company charges for other
19 premises visits and staff has agreed that that is a
20 reasonable amount. But staff recommends against a
21 charge for two reasons.

22 First, they state it was the original
23 developer who put the backflow preventers on the
24 customer's side of the meter, not the customers.
25 Well, that is certainly true. They also say that

1 inspecting work on the company's lines is a normal
2 cost of business, but we'd like you to consider how
3 unique this situation is. The Black Bear Reserve
4 Water Corporation doesn't have any employees and it
5 will have to pay its contractor/operator to go out
6 and inspect this work. And the company isn't making
7 any money, so it can't afford this expense out of
8 pocket, and it's not really fair to ask the
9 homeowners association to subsidize it.

10 And as you make your decision, please keep
11 in mind this isn't a charge put in place by some
12 executive somewhere, this is a charge that the
13 homeowners themselves are proposing through their
14 board of directors to cover their costs. They think
15 it's fair, and they are asking you to approve it.

16 And, finally, we want to once more thank
17 staff. They have helped all along the line. This
18 has been a little bit of a rocky road. We're glad
19 to be near the end of it. And Ms. Spicer would like
20 to address you briefly, and Mr. Smith and Mr. Don
21 are here to answer any questions you may have.

22 Thank you.

23 **MS. SPICER:** All I would like to say is that
24 this represents over seven years of the homeowners'
25 efforts to try to get these issues resolved. We have

1 tried individually; we have tried as a homeowners
2 association. We had roadblocks along the way in many
3 ways, shapes, and forms, and we have paid what would be
4 exorbitant amounts of long-term legal fees already to
5 get us to the table today.

6 And, again, we appreciate the staff's
7 help. They guided us when even they had roadblocks
8 put in their way. But because of all that we have
9 done and all that we have had to pay and, in fact,
10 we have some more financial obligations in front of
11 us until we get the backflows taken care of
12 throughout the 350 or some homes, we just ask that
13 you please apply the 2010 RAFs toward 2011 and help
14 us with just a little bit of relief for the water
15 company. Thank you.

16 **MR. REILLY:** Very briefly, we just wanted to
17 make a few comments in support of the request to apply
18 the 2010 RAFs to the 2011 year. I would just point out
19 that staff has worked for years and years and years
20 with the old ownership group trying to get this
21 certificate issue resolved unsuccessfully. It has only
22 been until this new group took over that progress was
23 made, and through their good faith efforts working with
24 your staff finally sorted out this long, longstanding
25 black water problem. So I would just urge the

1 Commission to provide a tangible thank you to this new
2 group to help them establish themselves as a utility,
3 to give them this little bit of help. And I think they
4 have kind of earned it with their good-faith effort in
5 sorting out this longstanding problem. Thank you.

6 **CHAIRMAN GRAHAM:** Ms. Rule, do you know what
7 the RAF rates are used for?

8 **MS. RULE:** They are used for regulation.

9 **CHAIRMAN GRAHAM:** They are used for
10 regulation?

11 **MS. RULE:** To cover regulatory costs. But
12 then, again, we have also paid an application fee that
13 is meant to cover the cost of application and all the
14 work done during that time, also.

15 **CHAIRMAN GRAHAM:** Well, earlier you said that
16 it is not fair for the homeowners to have to cover the
17 cost that the nonhomeowners have to cover. So do you
18 think in the same venue that it is fair for the other
19 water and wastewater utilities to have to cover the
20 costs of your water and wastewater?

21 **MS. RULE:** We don't believe that's the case,
22 Mr. Chairman. We believe that the fees we paid in
23 order to come in and ask for certification paid for the
24 stated price for staff to work through these issues
25 with us.

1 **CHAIRMAN GRAHAM:** But staff also worked last
2 year on these things, and they worked the year before
3 that, and the year before that, and you talked about
4 how well the job that the staff did. But now you are
5 saying that now that they did all this work, we don't
6 want to pay you for that work that was done.

7 **MS. RULE:** No, sir, I'm not. I'm saying we
8 believe we paid in our certification fees. And
9 sometimes certification is easy, sometimes
10 certification is hard. It's an average rate, and they
11 paid it.

12 **CHAIRMAN GRAHAM:** Okay. Thank you for your
13 opinion.

14 Commissioner Brown.

15 **COMMISSIONER BROWN:** Thank you, Mr. Chairman,
16 and thank you for kicking that off.

17 With regard to Issue 3, staff, I had a
18 question on how the Commission has previously
19 treated RAFs for utilities that are jurisdictional
20 and then later get certification, certificated.

21 **MS. CRAWFORD:** Jennifer Crawford for legal
22 staff. I will be happy to take a stab at that.

23 We do have a rule that specifies, it's
24 Rule 25.30-120, F.A.C, and it does provide in
25 Subsection 2 that it is the obligation to remit

1 regulatory assessment fees for any year for any
2 utility subject to the Commission's jurisdiction on
3 or before December 31st of that year, whether or not
4 the utility has actually applied for or been issued
5 a certificate.

6 Just in the fullness of making sure I was
7 comfortable with where I was on this issue, I did
8 some research and looked at a number of certificates
9 for utilities in existence, which this is an example
10 of that kind of case. In looking back, RAFs have
11 generally been assessed contemporaneous with either
12 the filing of the application or on or about that
13 time. I will say that has not been an exact science
14 for the Commission, but it is generally
15 contemporaneous with when the application actually
16 comes in. And that tends to run about a year prior
17 to the certificate actually being brought forward to
18 the Commission for its decision.

19 I believe that that is where we are in
20 this case. And although I appreciate the arguments
21 put forward by counsel for Black Bear, I do think in
22 order to be more consistent with what the Commission
23 has done that it would be appropriate to have those
24 2010 RAFs assessed and paid for.

25 **COMMISSIONER BROWN:** Thank you, Ms. Crawford.

1 And technically, though, Black Bear was jurisdictional,
2 though, in 2009, correct, when staff --

3 **MS. CRAWFORD:** That's correct.

4 **COMMISSIONER BROWN:** So staff was being
5 lenient, or considering balancing the annual report
6 financial condition of the utility in its
7 recommendation for assessing a 2010 --

8 **MS. CRAWFORD:** Yes. We do try to keep in
9 find that it is a process, and generally we want the
10 RAFs to coincide with the bulk of our regulatory
11 efforts.

12 **COMMISSIONER BROWN:** Thank you.

13 I have a question about Issue 6, unless
14 any other Commission has a question on 3. Ms. Rule,
15 you stated your argument about the backflow
16 preventers. Can you go into that in a little more
17 detail on why you don't agree with staff's
18 recommendation?

19 **MS. RULE:** We are proposing a \$16 premise
20 visit charge that would apply whenever a homeowner
21 moves the backflow preventer from the company's side of
22 the meter to the customer's side of the meter, and that
23 would occur when it needs replacement or repair.
24 Because that work is being done on the company's side
25 of the lines -- the homeowners have really worked hard

1 to try and put together the best price for this to
2 happen. They have negotiated with a contractor to come
3 in and do this at a cheap price, because they are
4 homeowners, they are going to be paying this.

5 But they understand, too, that the work is
6 being done on lines that belong to the company and
7 that the company has an obligation to maintain the
8 integrity of those lines. The operator should go in
9 and take a look before somebody else does this work
10 or before it's completed, and that is what the
11 premise visit charge would be for.

12 **COMMISSIONER BROWN:** Staff, do you have an
13 opinion on that?

14 **MS. BRADY:** Just two thoughts, Commissioner.
15 In this tariff provision discussion about the backflow
16 prevention assemblies, there is going to be a
17 requirement that the customer notify the utility in
18 advance of the time and place that this work is going
19 to be performed. Also, there is a requirement that
20 staff believes it is appropriate for the utility to
21 have an opportunity to review the credentials and
22 approve the entity performing this work on its lines.

23 The presumption is this is not emergency
24 work. The presumption is, in most cases, that the
25 utility probably has the leeway to schedule it in

1 conjunction with other work that it is performing at
2 the utility. We understand there is a cost
3 involved, but we just think it's inappropriate in
4 this particular instance when the customer was
5 initially at fault and is doing the work at their
6 cost to also pay to have the utility present.

7 **CHAIRMAN GRAHAM:** You know, this is -- Issue
8 6 is kind of interesting. I guess my question is
9 philosophically I don't have a problem with the \$16
10 cost, and this is unique because the homeowners also
11 own the utility company itself. I guess the question I
12 have, before I go down this path, is are we going to
13 create any problems in the future with somebody else
14 where you don't have the homeownership that owns the
15 utility, and, you know, it's a complete disconnect, and
16 they try to come up with this kind of cost, and we have
17 set a precedent here. Is that going to be an issue in
18 the future? I guess it's more of a legal question than
19 anything else.

20 **MS. CRAWFORD:** I will be happy to take a
21 stab, although I think it's as much a policy question
22 as a legal one. I don't know that there is really a
23 rule or statute that addresses the situation squarely.
24 I have to concur with Ms. Brady. This is the sort of
25 thing, while I understand the utility wants to ensure

1 that the integrity of its system is maintained, there
2 are provisions built in in this case to afford the
3 utility the opportunity to ensure the credentials of
4 the person doing the work are sufficient. And, again,
5 where this is not typically going to be an emergency
6 type situation, it should be able to coincide with the
7 existing utility work.

8 I would have some concerns about approving
9 this charge and it's potential as precedent in other
10 cases where you don't have that kind of intimate
11 relationship where the customers are also
12 essentially the utility, and what costs that might
13 impose on a customer who does not have that kind of
14 relationship with its regulated utility.

15 **CHAIRMAN GRAHAM:** Commissioner Balbis.

16 **COMMISSIONER BALBIS:** Thank you, Mr.
17 Chairman.

18 And I want to focus on Issue 6, as well.
19 First of all, just out of curiosity, and, Mr.
20 Walden, you and I talked about this during our
21 briefing. But I recall, and it might have been a
22 year or two ago that DEP was proposing to change the
23 rules on backflow prevention devices, and
24 specifically the use of RPZs versus dual or
25 double-check assemblies, and the dual check not

1 being required to be tested, which is a much cheaper
2 device. Do you know if DEP has ever formally taken
3 a position on that or changed the rule?

4 **MR. WALDEN:** We don't have any update on
5 that, Commissioner, as to what DEP's preference is
6 going to be. The rule is -- there's no proposal to
7 change it that we were able to discern, so we just have
8 the rule that is in place now.

9 **COMMISSIONER BALBIS:** Okay. Because I know
10 there was a lot of discussion, I believe, in Palm Beach
11 County where a lot of bare backflow prevention devices
12 are dual check assemblies that don't require testing
13 are much, much cheaper, and I don't know if that is
14 something that DEP does clarify that. If the
15 homeowners association should look at that as something
16 that, again, doesn't require the annual testing and is
17 much cheaper to install.

18 Specifically towards the \$16 charge, this
19 work is being done on the customer's side of the
20 meter, correct?

21 **MS. RULE:** No, sir, it's being done on the
22 company's side.

23 **COMMISSIONER BALBIS:** On the company's side.

24 **MS. RULE:** Removing the backflow from the
25 company's side of the meter. It shouldn't have been

1 there, the developer put it there, and that's what --

2 **COMMISSIONER BALBIS:** And you are putting it
3 on the customer's side, correct?

4 **MS. RULE:** Moving it to the customer's side.
5 The premise visit charge would be only for inspecting
6 the work done on the company's side. And to address a
7 concern that several of you have raised about, and
8 staff has raised about, well, you should be able to do
9 this work when you are out there anyway, that's not
10 always the case. There is not that much work to be
11 done on lines. We don't have employees who can go out
12 there anyway. They are not in the area. And the most
13 problem occurs in the winter when the things freeze and
14 break and people need somebody out there immediately.
15 So it really is not something you can schedule as a
16 normal course of business, typically.

17 **MR. WALDEN:** Commissioner, it's our
18 understanding that the backflow prevention device will
19 be moved when the device is defective, if it needs to
20 be repaired or replaced. But if it is just being
21 tested, I don't believe the devices are being moved.

22 **MS. RULE:** That's correct, yes. There is no
23 premise visit for the testing. The testing is done
24 every year. The homeowners association and water
25 company have negotiated an excellent price for that.

1 **COMMISSIONER BALBIS:** Well, normally when
2 work is done on the customer's side of the meter, it
3 usually triggers some sort of building permit from
4 either the local municipality or the county. Would
5 that work require such a permit? And I guess where I'm
6 going with that is usually -- and then if it does
7 trigger a permit, then the inspection of that work is
8 usually done by whoever issued the permit. So are we
9 having a duplication of inspection services in that
10 case?

11 **MR. WALDEN:** My experience has been that it
12 varies from county-to-county as to whether or not a
13 permit is required for the kind of work we're talking
14 about. But a licensed plumber is generally required to
15 do a -- well, to relocate for a backflow prevention
16 device from one side of the meter to the other.
17 Depending upon the county, a homeowner may be able to
18 do it himself if he has those skills, but the permits
19 vary from county-to-county. I don't know that the law
20 is different, but the enforcement is different. But my
21 major point that I'm trying to make is if the backflow
22 prevention device is to be moved, pretty much a
23 licensed plumber would do that work.

24 **COMMISSIONER BALBIS:** Okay. And, again, my
25 concern is are we duplicating inspections? If it does

1 trigger a building permit, most permitting agencies do
2 require an inspection and a closeout of that work.

3 **MR. WALDEN:** That's correct.

4 **COMMISSIONER BALBIS:** So in this case, if we
5 are allowing the utility to recover a premise visit
6 charge, that is unusual because it is on the customer's
7 side of the meter, are we duplicating those costs?

8 **CHAIRMAN GRAHAM:** I was going to say I think
9 if there is an inspection, it's done by the local
10 municipality. That is only going to happen on the
11 customer's side of the meter. They are not going to go
12 back and inspect what was going on on the utility's
13 side of the meter. So I think their fear is that
14 someone is going to take out this backflow device.
15 They want to make sure that the integrity of that line
16 is reset so they don't have any problems down the road.
17 Of course, you know, most of these plumbers are all
18 bonded, and they have the ability, I take it, to write
19 off on -- who approves the plumber? Is it the
20 homeowner that approves the plumber, but they have to
21 meet the criteria of the utility companies? How does
22 that work?

23 **MS. BRADY:** The customer is responsible for
24 identifying a certified individual to do the work.
25 They then notify the utility of the work that is being

1 performed. The utility can -- has the ability to
2 actually sign off on whether or not they believe those
3 credentials of that individual is qualified. So I
4 assume they can deny that particular individual to do
5 the work.

6 **CHAIRMAN GRAHAM:** So there is a mechanism for
7 the homeowner -- the utility has to sign off on the
8 homeowner getting this done?

9 **MS. BRADY:** That's my understanding, yes.

10 **CHAIRMAN GRAHAM:** Is that correct, Ms. Rule?

11 **MS. RULE:** Yes, sir.

12 **CHAIRMAN GRAHAM:** Okay.

13 **MS. RULE:** And to answer another question,
14 there is no inspection required. There is no building
15 permit or anything like that.

16 **CHAIRMAN GRAHAM:** Well, this is one of those
17 issues we can debate back and forth. For me
18 personally, I think I will default towards staff on
19 this one, because I don't want for this -- this is a
20 unique situation, and if there was a way to separate
21 this from other situations, that may be a different
22 story, but I don't want for this to hamstring us
23 further down the line when things may not be -- may not
24 be set up this clearly.

25 Commissioner Brisé.

1 **COMMISSIONER BRISÉ:** Thank you, Mr. Chairman.

2 I think I would agree with staff's
3 recommendation on 6 for the simple reason that if it
4 were a different company, we would treat it
5 completely differently. And I understand the
6 dynamic of the customers owning and all of that.
7 That's all well and good, but the initial developer
8 made the mistake, and so, therefore, if you buy-out
9 or buy-out the interests of a company, then you own
10 that mistake.

11 And so with that, if we move forward to
12 the customers now, they shouldn't have to pay an
13 additional fee to cover that mistake as a customer.
14 Now, if they want to pay it as an owner, that's
15 absolutely fine with me because that is a decision
16 that you made when you decided to purchase. But as
17 an individual customer, that is a different
18 perspective, and I think with that, I think we keep
19 our position clean and clear with respect to
20 potential precedent or anything else that could
21 result as a result of our decision here today.

22 **CHAIRMAN GRAHAM:** So was that a motion to
23 move staff recommendation on Item Number 8?

24 **COMMISSIONER BRISÉ:** Number 6.

25 **CHAIRMAN GRAHAM:** We are on Item 8, the

1 entirety.

2 **COMMISSIONER BRISÉ:** I mean, the whole thing.
3 I didn't know if there was discussion on 3, as well.
4 But, yes, if we are ready to entertain a motion, then I
5 would move that we move staff recommendation on all
6 issues with respect to Item 8.

7 **CHAIRMAN GRAHAM:** It has been moved and
8 seconded. Any further discussion on all the issues on
9 Item Number 8?

10 Commissioner Balbis.

11 **COMMISSIONER BALBIS:** I just want to comment
12 on Issue 3. And I understand the homeowners position
13 on that, but staff has been working on this issue
14 since, I believe it was 2007 or 2008, and, you know,
15 theoretically we could have asked to recover all the
16 costs incurred since then. But I think that it is a
17 good compromise in going with staff's recommendation on
18 2010 issues. So with that, I will support the motion.

19 **CHAIRMAN GRAHAM:** Commissioner Brown.

20 **COMMISSIONER BROWN:** Thank you, Mr. Chairman.

21 I did want to express gratitude toward
22 staff, because you have incurred a lot of work hours
23 and effort into it for years and years and years.
24 And I know that the utility expressed gratitude, but
25 we also express that gratitude. And I'm happy that

1 we are coming to this resolution here. With that, I
2 support the motion.

3 **CHAIRMAN GRAHAM:** Okay. All in favor of
4 moving staff recommendation on Item Number 8 say aye.

5 (Vote taken.)

6 **CHAIRMAN GRAHAM:** Any opposed?

7 By your action you have approved staff
8 recommendation on Item Number 8.

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STATE OF FLORIDA)
 : CERTIFICATE OF REPORTER
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, 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' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 7th day of October, 2011.



JANE FAUROT, RPR
Official FPSC Hearings Reporter
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