

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, May 5, 2015, 9:30 a.m.

LOCATION: Betty Easley Conference Center, Joseph P. Cresse Hearing Room 148

DATE ISSUED: April 23, 2015

NOTICE

Persons affected by Commission action on certain items on this agenda may be allowed to address the Commission, either informally or by oral argument, when those items are taken up for discussion at this conference. These items are designated by double asterisks (***) next to the agenda item number.

To participate informally, affected persons need only appear at the agenda conference and request the opportunity to address the Commission on an item listed on agenda. Informal participation is not permitted: (1) on dispositive motions and motions for reconsideration; (2) when a recommended order is taken up by the Commission; (3) in a rulemaking proceeding after the record has been closed; or (4) when the Commission considers a post-hearing recommendation on the merits of a case after the close of the record. The Commission allows informal participation at its discretion in certain types of cases (such as declaratory statements and interim rate orders) in which an order is issued based on a given set of facts without hearing.

See Rule 25-22.0021, F.A.C., concerning Agenda Conference participation and Rule 25-22.0022, F.A.C., concerning oral argument.

Agendas, staff recommendations, and vote sheets are available from the PSC Web site, <http://www.floridapsc.com>, by selecting *Conferences & Meeting Agendas* and *Commission Conferences of the FPSC*. Once filed, a verbatim transcript of the Commission Conference will be available from this page by selecting the conference date, or by selecting *Clerk's Office* and the Item's docket number, (you can then advance to the *Docket Details* page and the Document Filings Index for that particular docket). An official vote of "move staff" denotes that the Item's recommendations were approved. If you have any questions, contact the Office of Commission Clerk at (850) 413-6770 or e-mail the clerk at Clerk@psc.state.fl.us.

In accordance with the American with Disabilities Act, persons needing a special accommodation to participate at this proceeding should contact the Office of Commission Clerk no later than five days prior to the conference at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, via 1-800-955-8770 (Voice) or 1-800-955-8771 (TDD), Florida Relay Service. Assistive Listening Devices are available at the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

The Commission Conference has a live video broadcast the day of the conference, which is available from the PSC's Web site. Upon completion of the conference, the video will be available from the Web site by selecting *Conferences & Meeting Agendas*, then *Audio and Video Event Coverage*.

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ITEM NO.

CASE

1**PAA

Docket No. 140029-TP – Request for submission of proposals for relay service, beginning in June 2015, for the deaf, hard of hearing, deaf/blind, or speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

Critical Date(s): July 1, 2015 - Effective date of Florida Telecommunications Relay, Inc. budget. Notification of any change in the Telecommunications Access System Act surcharge must be made to carriers prior to July 1, 2015.

Commissioners Assigned: All Commissioners
Prehearing Officer: Administrative

Staff: TEL: C. Williams, Casey
GCL: Page

Issue 1: Should the Commission approve FTRI's proposed budget as outlined in Attachment A of staff's memorandum dated April 23, 2015, for fiscal year 2015/2016, effective July 1, 2015, and should the Commission maintain the current Telecommunications Relay Service (TRS) surcharge of \$0.11 per month?

Recommendation: Staff recommends the Commission approve Option 4 in the analysis portion of staff's memorandum dated April 23, 2015, which reduces FTRI's proposed budget by \$851,774. FTRI should determine which individual accounts of Category II, Category III, Category IV, and Category V expenses should be adjusted to equal the Commission-approved decrease. Staff recommends that FTRI re-submit its budget within 30 days of the Commission vote. The revised budget should show adjustments to the individual accounts reflecting the \$851,774 decrease. Staff recommends that staff be granted administrative authority to approve the resubmitted budget as long as it adheres to the Commission's decision. However, if the revised budget indicates an allocation of funds inconsistent with the purpose and intent of TASA, staff will bring the revised budget back to the Commission for further consideration. Staff also recommends that the TRS surcharge be maintained at \$0.11 per month for fiscal year 2015/2016, effective July 1, 2015. The Commission should order the incumbent local exchange companies, competitive local exchange companies, and shared tenant providers to continue to bill the \$0.11 surcharge for fiscal year 2015/2016, effective July 1, 2015.

ITEM NO.

CASE

1**PAA

Docket No. 140029-TP – Request for submission of proposals for relay service, beginning in June 2015, for the deaf, hard of hearing, deaf/blind, or speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

(Continued from previous page)

Issue 2: Should the docket be closed?

Recommendation: No. A Consummating Order should be issued, unless a person whose substantial interests are affected by the Commission’s decision files a protest within 21 days of the issuance of the proposed agency action. The docket should remain open to address all matters related to relay service throughout the life of the current Sprint contract.

ITEM NO.

CASE

2**PAA

Docket No. 150021-TC – Application for certificate to provide pay telephone service by Florida Payphone Operations, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: TEL: C. Williams

GCL: Ames

(Proposed Agency Action - Except Issue 1)

Issue 1: Should the Commission accept the settlement offer of \$1,500 submitted by Florida Payphone Operations, Inc. for operating without a certificate in violation of Section 364.3375(1)(a), F.S.?

Recommendation: Yes. Staff recommends that the Commission accept the offer of \$1,500 submitted by Florida Payphone Operations, Inc. for violation of Section 364.3375(1)(a), F.S. The \$1,500 settlement should be remitted to the State of Florida General Revenue Fund, pursuant to Section 364.285, F.S.

Issue 2: Should the Commission grant Florida Payphone Operations, Inc. a certificate to provide pay telephone service?

Recommendation: Yes. Staff recommends the Commission grant Florida Payphone Operations, Inc. a certificate to provide pay telephone service.

Issue 3: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

3**PAA

Docket No. 150049-EI – Petition for approval of energy purchase agreement between Gulf Power Company and Morgan Stanley Capital Group Incorporated.

Critical Date(s): Based on a termination provision contained in the Agreement, a final Commission decision must be rendered by August 20, 2015.

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Graves

AFD: Barrett, Lester, Trueblood

ECO: McNulty, Wu

GCL: Ames

IDM: B. Crawford

Issue 1: Should the Commission approve Gulf Power Company’s petition requesting recovery of costs incurred under a negotiated Energy Purchase Agreement with Morgan Stanley Capital Group Inc.?

Recommendation: Yes. Gulf has reasonably demonstrated that the Agreement will likely produce savings between \$11 million and \$48 million and will encourage the development of renewable energy. Therefore, staff recommends that the Commission approve Gulf’s petition.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission’s decision files a protest within 21 days of the issuance of the proposed agency action.

ITEM NO.

CASE

4**PAA

Docket No. 140060-WS – Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

Critical Date(s): 5-Month Effective Date Waived Through 05/05/15

Commissioners Assigned: All Commissioners

Prehearing Officer: Patronis

Staff: ENG: Graves, Hill, King

AFD: T. Brown, D. Buys, Cicchetti, Fletcher, Frank, Monroe, Norris, Vogel

ECO: Thompson

GCL: Young

(Proposed Agency Action, except for Issues 20 and 21)

Issue 1: Is the quality of service provided by Sanlando satisfactory?

Recommendation: Yes. Staff recommends that the quality of service provided by Sanlando, be considered satisfactory. The Utility is currently meeting all applicable DEP water and wastewater quality standards, and appears to be responsive to its customers and to the DEP.

Issue 2: Should the audit adjustments to rate base and operating expense to which the Utility and staff agree be made?

Recommendation: Yes. Based on the audit adjustments agreed to by the Utility and staff, adjustments should be made to rate base and net operating income as set forth in the analysis portion of staff's memorandum dated April 23, 2015.

Issue 3: Should any adjustment be made to the Utility's Project Phoenix Financial/Customer Care Billing System (Phoenix Project)?

Recommendation: Yes. Adjustments should be made to reduce accumulated depreciation by \$26,326 for water and \$20,777 for wastewater and reduce depreciation expense by \$26,326 for water and \$20,777 for wastewater. In addition, consistent with the Commission's previous decisions, Sanlando should be authorized to create a regulatory asset of \$5,925. The annual amortization of the regulatory asset is \$1,481 per year, or \$832 for water and \$649 for wastewater.

Issue 4: Should any further adjustments be made to test year rate base?

Recommendation: Yes. Plant should be reduced by \$112,706 for water and \$27,535 for wastewater. Accumulated depreciation should be increased by \$126,680 for water and \$115,219 for wastewater. CIAC should be increased by \$15,383 for water. Accumulated amortization of CIAC should be decreased by \$17,836 for water and \$24,862 for wastewater. Additionally, depreciation expense should be increased by \$15,494 for water and \$212,775 for wastewater. Amortization of CIAC should be increased for water and wastewater by \$256,503 and \$159,012, respectively.

ITEM NO.

CASE

4**PAA

Docket No. 140060-WS – Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

(Continued from previous page)

Issue 5: Should any adjustments be made to the Utility's pro forma plant?

Recommendation: Yes. Water plant should be increased by \$37,029 and wastewater plant should be decreased by \$59,420. Corresponding adjustments should be made to increase water and wastewater accumulated depreciation by \$3,086 and \$249,954, respectively. Depreciation expense should also be increased by \$3,086 for water and decreased by \$14,988 for wastewater. Additionally, pro forma property taxes should be increased by \$527 for water and decreased by \$6,532 for wastewater.

Issue 6: What are the Used and Useful percentages of the Utility's water treatment plant, wastewater treatment plant, storage facilities, wastewater collection system, water distribution system, and reuse water system?

Recommendation: Consistent with the Utility's last rate case, Sanlando's water and wastewater treatment plants, storage facilities, water distribution and wastewater collection systems, and reuse facilities should continue to be considered 100 percent U&U.

Issue 7: What is the appropriate working capital allowance?

Recommendation: The appropriate working capital allowance is \$211,256 for water and \$255,887 for wastewater. As such, the working capital allowance should be increased by \$47,237 for water and \$40,312 for wastewater.

Issue 8: What is the appropriate rate base for the test year ended December 31, 2013?

Recommendation: The appropriate 13-month average rate base for the test year ended December 31, 2013, is \$8,756,187 for water and \$14,051,164 for wastewater.

Issue 9: What is the appropriate return on equity?

Recommendation: Based on the Commission leverage formula currently in effect, the appropriate return on equity (ROE) is 10.53 percent with an allowed range of plus or minus 100 basis points.

Issue 10: What is the appropriate weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure for the test year ended December 31, 2013?

Recommendation: The appropriate weighted average cost of capital for the test year ended December 31, 2013 is 7.94 percent.

Issue 11: What is the appropriate amount of test year revenues for the Utility's water and wastewater systems?

Recommendation: The appropriate test year revenues for Sanlando's water and wastewater systems are \$4,115,972 and \$3,905,490, respectively.

ITEM NO.

CASE

4**PAA

Docket No. 140060-WS – Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

(Continued from previous page)

Issue 12: Should any adjustments be made to the Utility’s pro forma expense?

Recommendation: Yes. Staff recommends the Commission approve \$73,731 of pro forma wastewater expense for annual inspection activities. In addition, wastewater amortization expense should be increased by \$2,298.

Issue 13: Should any adjustment be made to the Utility’s salaries and wages expense?

Recommendation: Yes. Salaries and wages expense should be decreased by the amounts included in Issue 2, Audit Adjustments Agreed to by the Utility and staff. In addition, Employee Pensions and Benefits expense should be further decreased by \$5,794 and \$4,573, for water and wastewater, respectively.

Issue 14: Should further adjustments be made to the Utility’s O&M expense?

Recommendation: Yes. O&M expense should be increased by \$34,060 for water and decreased by \$91,693 for wastewater.

Issue 15: What is the appropriate amount of rate case expense?

Recommendation: The appropriate amount of rate case expense is \$180,942. This expense should be recovered over four years for an annual expense of \$45,236. Therefore, annual rate case expense should be decreased by \$6,449 for water and \$5,090 for wastewater from the respective levels of expense included in the MFRs.

Issue 16: Should further adjustments be made to taxes other than income?

Recommendation: Yes. Property taxes should be increased by \$449 for water and decreased by \$1,868 for wastewater. In addition, Regulatory Assessment Fees (RAFs) should be increased by \$1,927 for water and decreased by \$869 for wastewater.

Issue 17: What is the appropriate revenue requirement for the test year ended December 31, 2013?

Recommendation: Staff recommends the following revenue requirement should be approved.

	Test Year Revenue	\$ Increase/ (Decrease)	Revenue Requirement	% Increase/ (Decrease)
Water	\$4,115,972	(\$250,461)	\$3,865,511	(6.09%)
Wastewater	\$3,905,490	\$748,919	\$4,654,409	19.18%

ITEM NO.

CASE

4**PAA

Docket No. 140060-WS – Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

(Continued from previous page)

Issue 18: What are the appropriate rate structures and rates for Sanlando’s water and wastewater systems?

Recommendation: The recommended rate structures and monthly water and wastewater rates are shown on Schedule Nos. 4-A through 4-D, respectively, of staff’s memorandum dated April 23, 2015. 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 sheet, 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 within ten days of the date of the notice.

Issue 19: In determining whether any portion of the interim water and wastewater revenue increase granted should be refunded, how should the refund be calculated, and what is the amount of the refund, if any?

Recommendation: The proper refund amount should be calculated by using the same data used to establish final rates, excluding rate case expense and other items not in effect during the interim period. The total net difference between the combined water and wastewater interim revenue requirements granted and the combined interim collection period revenue should be used because of the reallocation of wastewater revenues. No refund is required because the total interim collection period revenue requirement calculated is greater than the total interim revenue requirement granted.

Issue 20: 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, F.S.?

Recommendation: The water and wastewater rates should be reduced as shown on Schedule Nos. 4-A and 4-B of staff’s memorandum dated April 23, 2015, 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. Sanlando 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.

ITEM NO.

CASE

4**PAA

Docket No. 140060-WS – Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

(Continued from previous page)

Issue 21: Should the Utility be required to provide proof, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated with the Commission-approved adjustments?

Recommendation: Yes. To ensure that the Utility adjusts its books in accordance with the Commission’s decision, Sanlando should provide proof, within 90 days of the final order in this docket, that the adjustments to all the applicable NARUC USOA accounts have been made to the Utility’s books and records. The Utility’s support documentation should include a list, by issue, of all rate base and cost of capital Commission-ordered adjustments and a reference to where the corresponding bookkeeping entries can be found in the general ledger that is provided.

Issue 22: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. 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. Once these actions are complete, this docket should be closed administratively.

ITEM NO.

CASE

5**PAA

Docket No. 140135-WS – Application for increase in water/wastewater rates in Pasco County by Labrador Utilities, Inc.

Critical Date(s): 5-Month Effective Date Waived Through 05/05/15

Commissioners Assigned: All Commissioners

Prehearing Officer: Brown

Staff: ENG: P. Buys, Hill, King, Rieger

AFD: T. Brown, Fletcher, Galloway, Polk, Smith, Trueblood

ECO: Bruce, Hudson

GCL: Mapp, J. Crawford

(Proposed Agency Action, except Issues 18 and 19)

Issue 1: Is the quality of service provided by Labrador satisfactory?

Recommendation: Labrador has not made sufficient efforts to engage its customers to discuss and resolve their continuing dissatisfaction with the quality of the water since its last rate case. Therefore, staff recommends that the overall quality of service provided by Labrador should be considered satisfactory for the wastewater services, and marginal for water services provided to customers. In addition, staff recommends a reduction in the return on equity (ROE) for its water treatment plant and facilities of 25 basis points.

Issue 2: Should the audit adjustments to rate base, to which Labrador and staff agree, be made?

Recommendation: Yes. Based on the audit adjustments agreed to by the Utility and staff, adjustments should be made to rate base as set forth in the analysis portion of staff's memorandum dated April 23, 2015.

Issue 3: Should any adjustment be made to Labrador's Project Phoenix Financial/Customer Care Billing System (Phoenix Project)?

Recommendation: Yes. Adjustments should be made to reduce accumulated depreciation by \$1,684 for water and \$1,655 for wastewater and reduce depreciation expense by \$1,684 for water and \$1,655 for wastewater.

ITEM NO.

CASE

5**PAA

Docket No. 140135-WS – Application for increase in water/wastewater rates in Pasco County by Labrador Utilities, Inc.

(Continued from previous page)

Issue 4: Should any adjustments be made to Labrador’s pro forma plant?

Recommendation: Yes. The appropriate amount of pro forma plant additions is \$178,576 for water and \$626,196 for wastewater. This results in an increase of \$78,576 for water and a decrease of \$47,868 for wastewater from the Utility’s requested amounts. Corresponding adjustments to water and wastewater accumulated depreciation result in decreases of \$8,662 and \$2,540, respectively. Depreciation expense should also be increased by \$2,528 for water and decreased by \$1,560 for wastewater. Additionally, pro forma property taxes should be increased by \$1,936 for water and decreased by \$1,850 for wastewater. Accumulated deferred income taxes (ADITs) should be increased by \$872 for water and be decreased by \$3,666 for wastewater. Finally, test year expenses should be reduced by \$161 to remove maintenance expense associated with the retired ground storage tank.

Issue 5: What are the Used and Useful (U&U) percentages of Labrador’s water and wastewater systems?

Recommendation: Labrador’s water treatment plant, ground storage tank, wastewater treatment plant, water distribution system and wastewater collection system should be considered 100 percent U&U. Staff recommends that a 6.4 percent adjustment to purchased power and chemicals should be made for excessive unaccounted for water. No adjustments should be made for excessive infiltration and inflow.

Issue 6: What is the appropriate working capital allowance?

Recommendation: The appropriate working capital allowances are \$19,063 for water and \$28,777 for wastewater. As such, the working capital allowances should be decreased by \$6,570 and \$9,371 for water and wastewater, respectively.

Issue 7: What is the appropriate rate base for the test year period ended December 31, 2013?

Recommendation: Consistent with other recommended adjustments, the appropriate rate base for the test year ended December 31, 2013, is \$758,478 for water and \$1,898,946 for wastewater.

Issue 8: What is the appropriate return on equity?

Recommendation: Based on the Commission leverage formula currently in effect, the appropriate return on equity (ROE) is 10.43 percent for wastewater. Staff recommends an allowed range of plus or minus 100 basis points be recognized for ratemaking purposes. Additionally, staff is recommending a 25-basis point reduction in ROE for water only, as discussed in Issue 1. This reduction results in an ROE for water of 10.18 percent.

ITEM NO.

CASE

5**PAA

Docket No. 140135-WS – Application for increase in water/wastewater rates in Pasco County by Labrador Utilities, Inc.

(Continued from previous page)

Issue 9: What is the appropriate amount of accumulated deferred income taxes?

Recommendation: The appropriate amount of accumulated deferred income taxes (ADITs) to include in the capital structure is \$24,058.

Issue 10: What is the appropriate weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure for the test year ended December 31, 2013?

Recommendation: The appropriate weighted average cost of capital for the test year ended December 31, 2013 is 8.25 percent for water and 8.37 percent for wastewater.

Issue 11: Should adjustments be made to test year revenues?

Recommendation: Yes. The appropriate test year revenues for Labrador’s water and wastewater systems are \$263,502 and \$407,248, respectively.

Issue 12: Should the audit adjustments to operating expense, to which Labrador and staff agree, be made?

Recommendation: Yes. Based on the audit adjustments agreed to by Labrador and staff, adjustments should be made to net operating income as set forth in the analysis portion of staff’s memorandum dated April 23, 2015.

Issue 13: What is the appropriate amount of rate case expense?

Recommendation: The appropriate amount of rate case expense is \$102,439. This expense should be recovered over four years for an annual expense of \$25,610. Therefore, annual rate case expense should be decreased by \$14,323 for water and \$14,080 for wastewater from the respective levels of expense included in the MFRs.

Issue 14: Should further adjustments be made to Labrador’s operating expenses?

Recommendation: Yes. The operating expenses for the test year should be increased by \$13,266 for water and decreased by \$10,337 for wastewater.

Issue 15: What is the appropriate revenue requirement for the test year ended December 31, 2013?

Recommendation: The following revenue requirement should be approved.

	Test Year Revenue	\$ Increase/ (Decrease)	Revenue Requirement	% Increase/ (Decrease)
Water	\$263,502	\$51,633	\$315,135	19.60%
Wastewater	\$407,248	\$200,546	\$607,794	49.24%

ITEM NO.

CASE

5**PAA

Docket No. 140135-WS – Application for increase in water/wastewater rates in Pasco County by Labrador Utilities, Inc.

(Continued from previous page)

Issue 16: What are the appropriate rate structures and rates for Labrador’s water and wastewater systems?

Recommendation: The recommended rate structures and monthly water and wastewater rates are shown on Schedule Nos. 4-A through 4-D of staff’s memorandum dated April 23, 2015. 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 sheet, 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 within ten days of the date of the notice.

Issue 17: In determining whether any portion of the water and/or wastewater interim increases granted should be refunded, how should the refund be calculated, and what is the amount of the refund, if any?

Recommendation: The appropriate refund amount should be calculated by using the same data used to establish final rates, excluding rate case expense and other items not in effect during the interim period. The revised revenue requirements for the interim collection period should be compared to the amount of interim revenues granted. Based on this methodology, no refund is necessary for water or wastewater. As a result, the corporate undertaking amount of \$68,706 should be released.

Issue 18: 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, F.S.?

Recommendation: The water and wastewater rates should be reduced as shown on Schedule Nos. 4-A and 4-B of staff’s memorandum dated April 23, 2015, to remove rate case expense grossed up for regulatory assessment fees (RAFs) 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. Labrador 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.

ITEM NO.

CASE

5**PAA

Docket No. 140135-WS – Application for increase in water/wastewater rates in Pasco County by Labrador Utilities, Inc.

(Continued from previous page)

Issue 19: Should Labrador be required to provide proof, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated primary accounts with the Commission-approved adjustments?

Recommendation: Yes. To ensure that the Utility adjusts its books in accordance with the Commission’s decision, Labrador should provide proof, within 90 days of the final order in this docket, that the adjustments to all the applicable NARUC USOA accounts have been made to the Utility’s books and records. The Utility’s support documentation should include a list, by issue, of all rate base and cost of capital Commission-ordered adjustments and a reference to where the corresponding bookkeeping entries can be found in the general ledger that is provided.

Issue 20: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open until the Utility provides proof of adjustments to all applicable NARUC USOA accounts and for staff’s verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff. Once these actions are complete, this docket should be closed administratively, and the corporate undertaking should be released.

ITEM NO.

CASE

6**

Docket No. 150018-WS – Joint application of GCP REIT II and Sun Communities Operating Limited Partnership for authority for transfer of majority organizational control of GCP Fairfield Village, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ENG: P. Buys, King
AFD: Monroe, Norris
ECO: Bruce, Hudson
GCL: Villafrate

Issue 1: Should the application for transfer of majority organizational control of GCP Fairfield Village, LLC, in Marion County to Sun Communities Operating Limited Partnership be approved?

Recommendation: Yes. The transfer of majority organizational control to Sun Communities Operating Limited Partnership (Sun Communities OLP), is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the water certificate, with the territory described in Attachment A of staff's memorandum dated April 23, 2015. The existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), Florida Administrative Code, (F.A.C.).

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed.

ITEM NO.

CASE

7**

Docket No. 150020-WS – Joint application of GCP REIT II and Sun Communities Operating Limited Partnership for authority for transfer of majority organizational control of Sunlake Estates Utilities, L.L.C.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ENG: P. Buys, King

AFD: T. Brown, Norris

ECO: Bruce, Hudson

GCL: Janjic

Issue 1: Should the application for transfer of majority organizational control of Sunlake Estates Utilities, LLC, in Lake County to Sun Communities Operating Limited Partnership be approved?

Recommendation: Yes. The transfer of majority organizational control to Sun Communities Operating Limited Partnership (Sun Communities OLP) is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the water and wastewater certificates, with the territory described in Attachment A of staff's memorandum dated April 23, 2015. The existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), Florida Administrative Code, (F.A.C.).

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed.

ITEM NO.

CASE

8**PAA

Docket No. 140174-WU – Application for approval of transfer of Certificate No. 117-W from Crestridge Utility Corporation to Crestridge Utilities, LLC, in Pasco County.

Docket No. 140176-WU – Application for approval of transfer of Certificate No. 116-W from Holiday Gardens Utilities, Inc. to Holiday Gardens Utilities, LLC, in Pasco County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Ellis

AFD: T. Brown, Norris

GCL: Brownless

Issue 1: Should the application for transfer of Certificate No. 117-W from Crestridge Utility Corporation to Crestridge Utilities, LLC and Certificate No. 116-W from Holiday Gardens Utilities, Inc. to Holiday Gardens Utilities, LLC be approved?

Recommendation: No. Given the delays and failures to respond to staff data requests, providing conflicting and incorrect information, delays in paying filing fees, and delays in filing customer notices, the applicant has failed to meet his burden of proof that the proposed transfers are in the public interest. Therefore, the applications for transfer of Certificate No. 117-W from Crestridge Utility Corporation to Crestridge Utilities, LLC, and of Certificate No. 116-W from Holiday Gardens Utilities, Inc., to Holiday Gardens Utilities, LLC, should be denied.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the order, a consummating order should be issued and the docket should be closed administratively.

ITEM NO.

CASE

9**

Docket No. 140240-WS – Application for amendment of Certificate Nos. 404-W and 341-S to extend water and wastewater service areas to include certain additional land in Orange County by Pluris Wedgefield, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Hill, King

ECO: Bruce

GCL: Mapp

Issue 1: Should the Commission approve Pluris Wedgefield’s application for amendment of Certificate Nos. 404-W and 341-S to extend its water and wastewater territory in Orange County?

Recommendation: Yes. It is in the public interest to amend Certificate Nos. 404-W and 341-S to include the territory as described in Attachment A of staff’s memorandum dated April 23, 2015, effective the date of the Commission’s vote. The resultant order should serve as Pluris Wedgefield’s amended certificates and should be retained by the Utility. The Utility should charge the customers in the territory added herein the rates and charges contained in its current tariffs until a change is authorized by the Commission in a subsequent proceeding.

Issue 2: Should this docket be closed?

Recommendation: Yes, if staff’s recommendation in Issue 1 is approved, no further action is required and the docket should be closed.

ITEM NO.

CASE

10**PAA

Docket No. 150031-GU – Petition for approval of transportation service agreement with the Florida Division of Chesapeake Utilities Corporation by Peninsula Pipeline Company, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ECO: Rome, Draper

GCL: Villafrate

Issue 1: Should the Commission approve the Transportation Service Agreement dated January 15, 2015?

Recommendation: Yes. The Commission should approve the Transportation Service Agreement dated January 15, 2015, requested by Peninsula to provide firm transportation service to CFG.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ITEM NO.

CASE

11**

Docket No. 150092-WS – Request for approval of amendment to tariff for miscellaneous service charges by Marion Utilities, Inc.

Critical Date(s): 05/22/15 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Ortega, Hudson

GCL: Janjic

Issue 1: Should the Commission suspend the Utility’s request to amend Tariff Sheet Nos. 13.0 and 15.1?

Recommendation: Yes. The Utility’s request to amend Tariff Sheet Nos. 13.0 and 15.1 should be suspended.

Issue 2: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission’s final action on the Utility’s requested approval of amendment to Tariff Sheet Nos. 13.0 and 15.1.