

**MINUTES OF April 8, 2008
COMMISSION CONFERENCE**

COMMENCED: 9:40 a.m.
ADJOURNED: 10:55 a.m.
COMMENCED: 11:08 a.m.
ADJOURNED: 12:15 p.m.
COMMENCED: 12:25 p.m.
ADJOURNED: 12:45 p.m.
COMMENCED: 1:51 p.m.
ADJOURNED: 5:35 p.m.
COMMENCED: 5:48 p.m.
ADJOURNED: 5:55 p.m.

COMMISSIONERS PARTICIPATING: Chairman Carter
Commissioner Edgar
Commissioner McMurrian
Commissioner Argenziano
Commissioner Skop

Parties were allowed to address the Commission on items designated by double asterisks (**).

1

Approval of Minutes
March 4, 2008 Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

2**

Consent Agenda

PAA

A) Applications for certificates to provide competitive local exchange telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
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080111-TX	Kentucky Data Link, Inc.
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080112-TX	QuikVoip, LLC
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Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets.

DECISION: The recommendation was approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

3

Docket No. 070183-WS – Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations.

Critical Date(s): None

Rule Status: Adoption

Commissioners Assigned: All Commissioners

Prehearing Officer: Carter

Staff: GCL: Gervasi, Jaeger

ECR: Daniel, Hewitt, Rieger, Walden

Issue A: Which party bears the burden of proof to demonstrate that specific provisions of proposed Rule 25-30.4325 should not be accepted?

Recommendation: As the Petitioner, OPC bears the burden of proving by a preponderance of the evidence that the alternative rule proposals it has presented should be adopted by the Commission instead of the specific provisions in the proposed rule. Other parties and staff bear that same burden of proof with respect to the alternative rule proposals they have presented.

DECISION: The recommendation was approved.

Issue 1: Stipulation.

Issue 2: Should the definition of storage facilities as proposed in Rule 25-30.4325(1)(b) be adopted?

Recommendation: Yes, the definition of storage facilities in Proposed Rule 25-30.4325(1)(b), F.A.C., should be adopted if the Commission approves staff's recommendation in Issue 16. If the Commission denies staff's recommendation in Issue 16, the definition of storage facilities should be changed to exclude high service pumps.

DECISION: The recommendation was approved.

Issue 3: Should the definition of peak demand as proposed in Rule 25-30.4325(1)(c) be adopted?

Recommendation: Yes, the definition of peak demand for a water system as proposed in Rule 25-30.4325(1)(c) should be adopted.

DECISION: The recommendation was approved.

ITEM NO.

CASE

3

Docket No. 070183-WS – Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations.

(Continued from previous page)

Issue 4: Should the definition of peak demand for storage as proposed in Rule 25-30.4325(1)(d) be adopted?

Recommendation: Yes, the proposed rule language should be adopted without modification.

DECISION: The recommendation was approved.

Issue 5: Should the definition of excessive unaccounted for water as proposed in Rule 25-30.4325(1) (e) be adopted?

Recommendation: The proposed rule should be adopted with the modification shown on Attachments B and C of staff's memorandum dated March 27, 2008.

DECISION: The recommendation was approved.

Issue 6: Should the Commission's used and useful evaluation include a determination as to the prudence of the investment and consideration of economies of scale as proposed in Rule 25-30.4325(2) and be adopted?

Recommendation: The proposed rule should be adopted with the modification shown on Attachments B and C of staff's memorandum dated March 27, 2008.

DECISION: The recommendation was approved.

Issue 7: Should alternative calculations for water treatment systems and storage facilities be allowed as proposed in Rule 25-30.4325(3) and be adopted?

Recommendation: The proposed rule should be adopted with the modifications shown on Attachments B and C of staff's memorandum dated March 27, 2008.

DECISION: The recommendation was approved.

ITEM NO.

CASE

3

Docket No. 070183-WS – Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations.

(Continued from previous page)

Issue 8: Should the conditions for considering a water treatment system 100% used and useful as proposed in Rule 25-30.4325(4) be adopted?

Recommendation: The proposed rule should be adopted with the modifications shown on Attachments B and C of staff’s memorandum dated March 27, 2008.

DECISION: The recommendation was approved.

Issue 9: Stipulation.

Issue 10: Should the definition of firm reliable capacity for various combinations of water treatment systems and storage facilities as proposed in Rule 25-30.4325(6) be adopted?

Recommendation: The proposed rule should be adopted with the modification that the limiting factors should be moved from subsection (6) of the rule to subsection (3), as shown on Attachments B and C of staff’s memorandum dated March 27, 2008.

DECISION: The recommendation was approved, as modified, to change the “12 hours of pumping” in Rule 25-30.4325(6)(b) to “16 hours of pumping. Commissioners Edgar and McMurrian dissented on this issue.

Issue 11: Should the basis for expressing peak demand as proposed in Rule 25-30.4325(7) be adopted?

Recommendation: The proposed rule should be adopted with the modifications shown on Attachments B and C of staff’s memorandum dated March 27, 2008.

DECISION: The recommendation was approved.

Issue 12: Stipulation.

Issue 13: Stipulation.

Issue 14: Should the method of determining adjustments to plant and operating expenses because of excessive unaccounted for water as proposed in Rule 25-30.4325(10) be adopted?

ITEM NO.

CASE

3

Docket No. 070183-WS – Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations.

(Continued from previous page)

Recommendation: Yes, the method of determining adjustments to plant and operating expenses because of excessive unaccounted for water as proposed in Rule 25-30.4325(10) should be adopted.

DECISION: The recommendation was approved.

Issue 15: Should the Commission's consideration of other relevant factors as proposed in Rule 25-30.4325(11) be adopted?

Recommendation: Yes, however the substance of the provisions of subsection (11) should be moved to subsection (3). The proposed revision is shown on Attachments B and C of staff's memorandum dated March 27, 2008.

DECISION: The recommendation was approved.

Issue 16: Should there be a separate used and useful calculation for high service pumping?

Recommendation: No. If the Commission approves staff's recommendation on Issue 2, OPC's proposal for a separate definition for high service pumps should be denied. If the Commission denies staff's recommendation on Issue 2 and agrees with OPC's position that there should be a separate used and useful calculation for high service pumping, then the definition of storage facilities, as discussed in Issue 2, will need to be modified to exclude high service pumps and a separate definition of high service pumps will need to be approved, as discussed in Issue 17.

DECISION: The recommendation was approved.

ITEM NO.

CASE

3

Docket No. 070183-WS – Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations.

(Continued from previous page)

Issue 17: If there is a separate calculation for high service pumping, what is the proper definition for high service pumping?

Recommendation: If the Commission approves staff's recommendation in Issue 16 to deny OPC's proposal to have a separate definition for high service pumps, then this issue need not be ruled upon. If the Commission denies staff's recommendation on Issue 16 and approves OPC's proposal to have a separate definition for high service pumps, then OPC's proposed definition should be approved.

DECISION: The recommendation was approved.

Issue 18: If there is a separate calculation for high service pumping, what is the proper definition for peak demand for high service pumping?

Recommendation: If the Commission approves staff's recommendation in Issue 16 to deny OPC's proposal to have a separate definition for high service pumps, then this issue need not be ruled upon. If the Commission denies staff's recommendation on Issue 16 and approves OPC's proposal to have a separate definition for high service pumps, then the appropriate definition of peak demand for high service pumps should be the single maximum day in the test year with no unusual occurrence, such as a fire or line break. If actual flow data is not available, the rule provides a default number of gallons per ERC to be used.

DECISION: The recommendation was approved.

Issue 19: If there is a separate calculation for high service pumping, how should the firm reliable capacity of high service pumping be determined?

Recommendation: If the Commission approves staff's recommendation on Issue 16 to deny OPC's proposal to have a separate definition for high service pumps, then this issue need not be ruled upon. If the Commission denies staff's recommendation on Issue 16 and approves the use of a separate formula for evaluating the used and usefulness of high service pumps, staff recommends that OPC's proposal, which is the only proposal that was provided to define firm reliable capacity for high service pumps, should be approved.

DECISION: The recommendation was approved.

ITEM NO.

CASE

3

Docket No. 070183-WS – Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations.

(Continued from previous page)

Issue 20: If there is a separate calculation for high service pumping, how should the used and usefulness of high service pumping be determined?

Recommendation: If the Commission approves staff's recommendation on Issue 16 to deny OPC's proposal to have a separate definition for high service pumps, then this issue need not be ruled upon. If the Commission denies staff's recommendation on Issue 16 and approves the use of a separate formula for evaluating the used and usefulness of high service pumps, staff recommends that the used and usefulness of high service pumping should be determined by dividing the peak demand for high service pumping by the firm reliable capacity of the high service pumps. This is consistent with the method for calculating the used and usefulness of water treatment facilities which was stipulated in Issue 9. However, the language regarding the peak hour and maximum day demand for high service pumping is unnecessary because that is addressed in Issue 18.

DECISION: The recommendation was approved.

Issue 21: Should the rulemaking proceeding be resumed in order for Rule 25-30.4325 to be filed for adoption with the Secretary of State as approved by the Commission and the docket be closed?

Recommendation: Yes, the rule as approved by the Commission should be filed for adoption with the Secretary of State 21 days after the publication of a Notice of Change in the FAW and the docket should then be closed.

DECISION: The recommendation was approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

4**

Docket No. 080159-TP – Joint petition to initiate rulemaking to adopt new rule in Chapter 25-24, F.A.C., amend and repeal Rules in Chapter 25-4, F.A.C., and amend rules in Chapter 25-9, F.A.C., by Verizon Florida LLC, BellSouth Telecommunications, Inc. d/b/a AT&T Florida, Embarq Florida, Inc., Quincy Telephone Company d/b/a TDS Telecom, and Windstream Florida, Inc.

Critical Date(s): April 14, 2008 (the Commission must grant or deny the petition by this date)

Commissioners Assigned: All Commissioners

Prehearing Officer: McMurrin

Staff: GCL: Miller, Cibula

CMP: Mailhot, Salak

Issue 1: Should the Commission grant the Petition to Initiate Rulemaking filed by Verizon Florida LLC, BellSouth Telecommunications, Inc. d/b/a/ AT&T Florida, Embarq Florida, Inc., Quincy Telephone Company d/b/a/ TDS Telecom and Windstream Florida, Inc.?

Recommendation: Yes. The Commission should grant the Petition and Initiate Rulemaking.

Issue 2: Should this docket be closed?

Recommendation: No. If the Commission approves staff's recommendation in Issue 1, this docket should remain open to proceed with the rulemaking process.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrin, Argenziano, Skop

ITEM NO.

CASE

5

Docket No. 080083-EI – Petition for declaratory statement regarding applicability of Rule 25-6.0423, F.A.C., by Florida Power & Light Company.

Critical Date(s): May 5, 2008 (Final order must be issued by this date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: GCL: Bellak

ECR: Hinton

Issue 1: Should the Commission grant OPC's Request for Hearing?

Recommendation: No, OPC's Request for Hearing should be denied.

Issue 2: Should the Commission issue a declaratory statement to the effect that long-lead procurement items requiring advance payment up to and including the date of site clearing for Turkey Point Units 6 & 7 are preconstruction costs subject to cost recovery as provided for by Rule 25-6.0423(5)(a)?

Recommendation: Yes, the Commission should issue the declaratory statement requested by FPL.

Issue 3: Should this docket be closed?

Recommendation: Yes, this docket should be closed.

DECISION: The recommendations were approved. Commissioner Argenziano dissented on all issues.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

6

Docket No. 080039-EI – Complaint of Sallijo A. Freeman against Florida Power & Light Company for violation of Rule 25-6.105, F.A.C.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: GCL: Bennett, Brown

RCA: Hicks

Issue 1: Should the Commission grant Petitioner Sallijo Freeman’s request to address the Commission at the Agenda Conference on April 8, 2008?

Recommendation: The Commission should grant Ms. Freeman’s request to address the Commission on April 8, 2008, on the Motion to Dismiss. However, the Commission should limit the presentation to the issues raised by the Motion to Dismiss, which is whether Ms. Freeman’s petition alleges facts sufficient to state a cause of action upon which relief may be granted.

Issue 2: Should the Commission grant Florida Power & Light Company's Motion to Dismiss the Complaint of Sallijo A. Freeman?

Recommendation: The Commission should grant Florida Power & Light Company’s Motion to Dismiss. Although petitioner’s complaint alleges facts which, when taken as true and construed in the light most favorable to the petitioner, state a cause of action, there is no additional relief that the Commission may grant the petitioner. In her complaint, petitioner has asked that FPL be directed to restore her power. FPL has restored Ms. Freeman’s electrical service. The petitioner has also asked that she be awarded damages resulting from the allegedly improper termination of services. The Commission lacks jurisdiction to award monetary damages.

Issue 3: Should this docket be closed?

Recommendation: Yes. If the Commission accepts staff’s recommendation in Issue 2, this docket should be closed after the time for appeal has expired.

DECISION: This item was deferred.

ITEM NO.

CASE

7**

Docket No. 060433-WU – Application for certificate to operate water utility in Lake County by South Umatilla Water.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: McMurrin

Staff: GCL: Brown

ECR: Clapp, Kaproth, Slemkewicz, Walden

Issue 1: Should the Commission dismiss South Umatilla Water's application for a certificate to operate a water facility in Lake County?

Recommendation: Yes. Since the utility facilities are now owned and operated by Lake County, South Umatilla's application is moot, and the Commission should dismiss it.

Issue 2: Should this docket be closed?

Recommendation: Yes. Since the utility facilities are now owned and operated by Lake County, South Umatilla's application is moot and the docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrin, Argenziano, Skop

ITEM NO.

CASE

8**PAA

Docket No. 070670-TX – Application for certificate to provide competitive local exchange telecommunications service by Effectel Corp.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: McCoy

GCL: McKay

Issue 1: Should the Commission accept the settlement offer proposed by Effectel Corp and grant Effectel Corp Certificate No. 8716 to operate as a competitive local exchange telecommunications company in Florida as provided by Section 364.337(1), Florida Statutes?

Recommendation: Yes. The Commission should accept the settlement offer proposed by Effectel Corp and grant Effectel Corp Certificate No. 8716 to operate as a competitive local exchange telecommunications company in Florida.

Issue 2: Should this docket be closed?

Recommendation: The Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), Florida Statutes, any issues not in dispute should be deemed stipulated. If the Commission approves staff's recommendation in Issue 1, and the Order is not protested, the company's \$3,500 settlement payment should be deposited in the General Revenue Fund. If the Commission denies staff's recommendation in Issue 1, the payment should be refunded to the company. This docket should be closed upon issuance of the Consummating Order.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

9**PAA

Docket No. 080047-TP – Request for cancellation of CLEC Certificate No. 7943, and for acknowledgment of cancellation of IXC Registration No. TJ557 by Telsys, Inc., effective December 31, 2007.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission cancel Telsys, Inc.'s Competitive Local Exchange Telecommunications Company (CLEC) Certificate No. 7943 and Intrastate Interexchange Telecommunications (IXC) tariff and remove its name from the register on its own motion effective December 31, 2007; notify the Division of Administrative Services that any unpaid Regulatory Assessment Fees should not be sent to the Florida Department of Financial Services, and request permission to write off the uncollectible amount?

Recommendation: Yes, the company's CLEC certificate, IXC tariff, and registration should be cancelled on the Commission's own motion.

ITEM NO.

CASE

9**PAA

Docket No. 080047-TP – Request for cancellation of CLEC Certificate No. 7943, and for acknowledgment of cancellation of IXC Registration No. TJ557 by Telsys, Inc., effective December 31, 2007.

(Continued from previous page)

Issue 2: Should this docket be closed?

Recommendation: Staff recommends that the Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), Florida Statutes, any issues not in dispute should be deemed stipulated. If any entity fails to timely file a protest and to request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted and the right to a hearing waived. The company's CLEC certificate and IXC tariff should be cancelled administratively, the company's name should be removed from the register, and the collection of the unpaid Regulatory Assessment Fees, including statutory late payment charges, should not be referred to the Florida Department of Financial Services for further collection efforts. If the company's CLEC certificate and IXC tariff are cancelled and its name removed from the register in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing telecommunications services in Florida. This docket should be closed administratively upon cancellation of the company's CLEC certificate and IXC tariff and removal from the register.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

10**PAA

Docket No. 080066-TX – Request for cancellation of CLEC Certificate No. 8412 by Synergy Networks, Inc., effective December 31, 2007.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny Synergy Networks, Inc., a voluntary cancellation of its competitive local exchange telecommunications company (CLEC) Certificate No. 8412 and cancel the certificate on the Commission's own motion with an effective date of December 31, 2007?

Recommendation: Yes, the company should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated March 27, 2008.

Issue 2: Should this docket be closed?

Recommendation: Staff recommends that the Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), Florida Statutes, any issues not in dispute should be deemed stipulated. If the company fails to timely file a protest and to request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted and the right to a hearing waived. If the company pays the Regulatory Assessment Fee, including applicable late payment charges, prior to the expiration of the Proposed Agency Action Order, then the cancellation of the company's CLEC certificate will be voluntary. If the company fails to pay the Regulatory Assessment Fee, including applicable late payment charges, prior to the expiration of the Proposed Agency Action Order, then the company's CLEC certificate should be cancelled administratively, and the collection of the past due Regulatory Assessment Fee should be referred to the Florida Department of Financial Services for further collection efforts. If the company's CLEC certificate is cancelled in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing telecommunications service in Florida. This docket should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fee, including applicable late payment charges, or upon cancellation of the company's CLEC certificate.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

11**PAA

Docket No. 080084-TP – Request for cancellation of STS Certificate No. 8450, and for acknowledgment of cancellation of IXC Registration No. TJ874 by Sunshine State Communications, Inc., effective December 31, 2007.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny Sunshine State Communications, Inc., a voluntary cancellation of its intrastate interexchange telecommunications carrier (IXC) tariff and Registration No. TJ874 and cancel the tariff and remove the company's name from the register on the Commission's own motion with an effective date of December 31, 2007?

Recommendation: Yes, the company should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated March 27, 2008.

ITEM NO.

CASE

11**PAA

Docket No. 080084-TP – Request for cancellation of STS Certificate No. 8450, and for acknowledgment of cancellation of IXC Registration No. TJ874 by Sunshine State Communications, Inc., effective December 31, 2007.

(Continued from previous page)

Issue 2: Should this docket be closed?

Recommendation: Staff recommends that the Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), Florida Statutes, any issues not in dispute should be deemed stipulated. If the company fails to timely file a protest and to request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted and the right to a hearing waived. If the company pays the Regulatory Assessment Fee, including accrued statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then the cancellation of the company's tariff and the removal of its name from the register will be voluntary. If the company fails to pay the Regulatory Assessment Fee, including accrued statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then the company's IXC tariff should be cancelled administratively and its name removed from the register, and the collection of the past due Regulatory Assessment Fee, including accrued statutory late payment charges, should be referred to the Florida Department of Financial Services for further collection efforts. If the company's IXC tariff is cancelled and its name removed from the register in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing intrastate interexchange telecommunications service in Florida. This docket should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fee, including accrued statutory late payment charges, or upon cancellation of the company's IXC tariff and removal of its name from the register.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

12**PAA

Docket No. 080086-TI – Acknowledgment of cancellation of IXC Registration No. TJ620 by ATMC, Inc., effective December 31, 2007.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny ATMC, Inc., a voluntary cancellation of its intrastate interexchange telecommunications carrier (IXC) tariff and Registration No. TJ620 and cancel the tariff and remove the company's name from the register on the Commission's own motion with an effective date of December 31, 2007?

Recommendation: Yes, the company should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated March 27, 2008.

ITEM NO.

CASE

12**PAA

Docket No. 080086-TI – Acknowledgment of cancellation of IXC Registration No. TJ620 by ATMC, Inc., effective December 31, 2007.

(Continued from previous page)

Issue 2: Should this docket be closed?

Recommendation: Staff recommends that the Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), Florida Statutes, any issues not in dispute should be deemed stipulated. If the company fails to timely file a protest and to request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted and the right to a hearing waived. If the company pays the Regulatory Assessment Fee, including accrued statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then the cancellation of the company's tariff and the removal of its name from the register will be voluntary. If the company fails to pay the Regulatory Assessment Fee, including accrued statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then the company's IXC tariff should be cancelled administratively and its name removed from the register, and the collection of the past due Regulatory Assessment Fee, including accrued statutory late payment charges, should be referred to the Florida Department of Financial Services for further collection efforts. If the company's IXC tariff is cancelled and its name removed from the register in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing intrastate interexchange telecommunications service in Florida. This docket should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fee, including accrued statutory late payment charges, or upon cancellation of the company's IXC tariff and removal of its name from the register.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

13**PAA

Docket No. 080109-TI – Compliance investigation of MP Alliance Technologies, Inc. for apparent violation of Rule 25-24.470, F.A.C.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Curry
GCL: McKay

Issue 1: Should the Commission impose a penalty in the amount of \$25,000 upon MP Alliance Technologies, Inc. for its apparent violation of Rule 25-24.470, F.A.C., Registration Required, to be paid to the Florida Public Service Commission within fourteen calendar days after the issuance of the Consummating Order?

Recommendation: Yes, the Commission should impose a penalty in the amount of \$25,000 upon MP Alliance Technologies, Inc. for its apparent violation of Rule 25-24.470, F.A.C., Registration Required, to be paid to the Florida Public Service Commission within fourteen calendar days after the issuance of the Consummating Order.

Issue 2: Should this docket be closed?

Recommendation: The Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13) (b), Florida Statutes, any issues not in dispute should be deemed stipulated. If MPAT fails to timely file a protest and request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted, the right to a hearing waived, and the penalty should be deemed assessed. If payment of the penalty is not received within fourteen (14) calendar days after the issuance of the Consummating Order the penalty should be referred to the Department of Financial Services for collection and the company should be required to immediately cease and desist providing intrastate interexchange telecommunications services in Florida. This docket should be closed administratively upon receipt of the company's current contact information, tariff, and payment of the penalty, or upon the referral of the penalty to the Department of Financial Services.

DECISION: This item was deferred.

ITEM NO.

CASE

14**PAA

Docket No. 080137-TI – Joint request for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., in transfer of long distance customers from STARTEC Global Operating Company (TK051) to Americatel Corporation d/b/a 1010 123 Americatel d/b/a 10-15-688 AMETEX d/b/a 1 800 3030 123 Americatel Collect (TJ049); and request for cancellation of IXC Registration No. TK051, effective on consummation of transaction, on or about March 31, 2008.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Watts

GCL: McKay

Issue 1: Should the Commission approve the request for waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code, in the transfer of STARTEC Global Operating Company's customers to Americatel Corporation d/b/a 1010 123 Americatel d/b/a 10-15-688 AMETEX d/b/a 1 800 3030 123 Americatel Collect?

Recommendation: Yes, the Commission should approve the request for waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code.

Issue 2: Should this docket be closed?

Recommendation: 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 order should become final upon issuance of a consummating order. This docket should remain open pending notification from the company of the completion of its merger transaction and the cancellation of IXC Registration No. TK051. Upon completion of these actions, this docket should be closed administratively.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

15**

Docket No. 080128-EI – Petition to eliminate Sebring Rider, Rate Schedule SR-1, by Progress Energy Florida, Inc.

Critical Date(s): 05/02/08 (60-day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Baxter, Kummer

GCL: Hartman

Issue 1: Should the Commission cancel Tariff Sheet 6.340, and eliminate the Sebring Rider surcharge associated with the purchase of the Sebring system by PEF?

Recommendation: Yes. PEF has demonstrated that it has collected the specified amount within the allotted time frame and stated that it is no longer applying the surcharge to Sebring customers' bills. The Rider should therefore be cancelled.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves Issue 1, the docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

16**PAA

Docket No. 080106-EI – Request for approval of change in rate used to capitalize allowance for funds used during construction (AFUDC) from 7.48% to 7.65%, effective January 1, 2008, by Gulf Power Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Slemkewicz, Springer

GCL: Young

Issue 1: Should the Commission approve GPC's request to increase its AFUDC rate from 7.48 percent to 7.65 percent?

Recommendation: Yes. The appropriate AFUDC rate for GPC is 7.65 percent based on a 13-month average capital structure for the period ending December 31, 2007.

Issue 2: What is the appropriate monthly compounding rate to achieve the requested 7.65 percent annual rate?

Recommendation: The appropriate monthly compounding rate to maintain an annual rate of 7.65 percent is 0.616183 percent.

Issue 3: Should the Commission approve GPC's requested effective date of January 1, 2008, for implementing the revised AFUDC rate?

Recommendation: Yes. The revised AFUDC should be effective as of January 1, 2008, for all purposes except for Rule 25-6.0423, F.A.C., Nuclear or Integrated Gasification Combined Cycle Power Plant Cost Recovery. For the purposes of Rule 25-6.0423, F.A.C., 7.48 percent is the appropriate AFUDC rate to be utilized for computing carrying costs for power plant need petitions submitted on or before December 31, 2010.

Issue 4: Should this docket be closed?

Recommendation: 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.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

17**PAA

Docket No. 080088-EI – Request for approval of change in rate used to capitalize allowance for funds used during construction (AFUDC) from 7.42% to 7.65%, effective January 1, 2008, by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Slemkewicz, Springer

GCL: Brown

Issue 1: Should the Commission approve FPL's request to increase its AFUDC rate from 7.42 percent to 7.65 percent?

Recommendation: Yes. The appropriate AFUDC rate for FPL is 7.65 percent based on a 13-month average capital structure for the period ending December 31, 2007.

Issue 2: What is the appropriate monthly compounding rate to achieve the requested 7.65 percent annual rate?

Recommendation: The appropriate monthly compounding rate to maintain an annual rate of 7.65 percent is 0.616183 percent.

Issue 3: Should the Commission approve FPL's requested effective date of January 1, 2008, for implementing the revised AFUDC rate?

Recommendation: Yes. The revised AFUDC should be effective as of January 1, 2008, for all purposes except for Rule 25-6.0423, F.A.C., Nuclear or Integrated Gasification Combined Cycle Power Plant Cost Recovery. For the purposes of Rule 25-6.0423, F.A.C., 7.42 percent is the appropriate AFUDC rate to be utilized for computing carrying costs for power plant need petitions submitted on or before December 31, 2010.

Issue 4: Should this docket be closed?

Recommendation: 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.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

18**PAA

Docket No. 070737-GU – Application for approval of new depreciation rates, effective January 1, 2008, by St. Joe Natural Gas Company, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: ECR: Gardner, Bulecza-Banks

GCL: Brown

Issue 1: Should the currently prescribed depreciation rates of St. Joe Natural Gas Company be changed?

Recommendation: Yes. A comprehensive review of St. Joe Natural Gas Company's planning and activity since the prior depreciation filing indicates a need for a revision in the currently prescribed depreciation rates.

Issue 2: What should be the date of implementation for the new depreciation rates?

Recommendation: Staff recommends approval of the company's proposed January 1, 2008, date of implementation for the new depreciation rates.

Issue 3: Should the Commission make any corrections to the reserve allocations between accounts?

Recommendation: Yes. Staff recommends the reserve allocations shown on Attachment A of staff's memorandum dated March 27, 2008. These allocations bring each account more in line with its theoretically correct reserve level.

Issue 4: What are the appropriate remaining lives, net salvage, reserve amounts, and resultant depreciation rates for SJNG?

Recommendation: The staff's recommended remaining lives, net salvage values, reserves, and resultant depreciation rates are shown on Attachment B of staff's memorandum dated March 27, 2008. The rates, based upon actual investments as of December 31, 2007, would result in an increase in the annual depreciation expense of approximately \$3,989 as summarized on Attachment C of staff's memorandum dated March 27, 2008.

Issue 5: 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.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

19**PAA

Docket No. 070391-WS – Application for certificates to provide water and wastewater service in Sumter County by Orange Blossom Utilities, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: McMurrian

Staff: ECR: Clapp, Walden

GCL: Jaeger

Issue 1: What are the appropriate initial water and wastewater rates and return on equity for this utility?

Recommendation: Staff recommends that the water and wastewater rates described in the staff analysis and shown on Schedule No. 4 of staff's memorandum dated March 27, 2008, should be approved. OBU should charge these rates until authorized to change them by this Commission in a subsequent proceeding. The rates should be effective for services rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code. A return on equity of 12.01% with a range of plus or minus 100 basis points should be approved. Should the utility propose to provide reuse in the future, the utility should return to the Commission for an approved reuse rate.

Issue 2: What are the appropriate service availability policy and charges for Orange Blossom Utilities, Inc?

Recommendation: Staff recommends that the utility's proposed service availability policy and charges set forth within the analysis portion of staff's memorandum dated March 27, 2008, are appropriate and should be approved. The charges should be effective for connections made on or after the stamped approval date on the tariff sheets.

Issue 3: Should the utility's requested customer deposits, miscellaneous service charges, and late fee be approved?

Recommendation: Yes. The utility's requested customer deposits, miscellaneous service charges, and late fee should be approved. The deposits and charges should be effective for services rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code.

Issue 4: Should an Allowance for Funds Used During Construction (AFUDC) rate be approved for OBU?

Recommendation: Yes. An annual AFUDC rate of 7.80% and a discounted monthly rate of 0.649868% should be approved.

ITEM NO.

CASE

19**PAA

Docket No. 070391-WS – Application for certificates to provide water and wastewater service in Sumter County by Orange Blossom Utilities, Inc.

(Continued from previous page)

Issue 5: 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, the docket should be closed upon the issuance of a consummating order.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

20**

Docket No. 060253-WS – Application for increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas, and Seminole Counties by Utilities, Inc. of Florida.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: ECR: Kaproth, Bulecza-Banks

GCL: Jaeger

Issue 1: Should Utilities, Inc. of Florida's Settlement Offer be accepted?

Recommendation: Yes, the utility's Settlement Offer should be accepted in lieu of initiation of show cause proceedings, and the utility should pay \$2,000 as a fine for its violation of Rule 25-30.360, F.A.C., and the requirements of the Rate/Refund Order. Such payment should be made within 10 days of the Order accepting the Settlement Offer.

Issue 2: Should this docket be closed?

Recommendation: If the Commission approves staff's recommendation in Issue 1, the docket should be closed administratively upon staff's verification that the utility has timely paid the \$2,000 fine.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

21**PAA

Docket No. 070414-WS – Application for staff-assisted rate case in Polk County by Hidden Cove, Ltd.

Critical Date(s): 01/01/09 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: ECR: Fletcher, Bulecza-Banks, Lingo, Massoudi
GCL: Jaeger

Issue 1: Should the quality of service provided by Hidden Cove, Ltd. be considered satisfactory?

Recommendation: Yes. The quality of service provided by Hidden Cove should be considered satisfactory.

Issue 2: What are the used and useful percentages for Hidden Cove's water and wastewater systems?

Recommendation: The following used and useful percentages are appropriate for the Utility's water and wastewater systems:

Water Treatment Plant	100%
Water Distribution System	100%
Wastewater Treatment Plant	100%
Wastewater Collection Systems	100%

Issue 3: What is the appropriate average test year rate base for this utility?

Recommendation: The appropriate average rate base for this utility is \$32,252 for water and \$27,769 for wastewater. Further, the Utility should be required to complete its meter installations within 6 months from the final order issued in this docket.

Issue 4: What is the appropriate rate of return on equity and the appropriate overall rate of return for this utility?

Recommendation: The appropriate return on equity is 11.78% with a range of 10.78% to 12.78%. The appropriate overall rate of return is 6.73%.

Issue 5: What are the appropriate amounts of test year revenues in this case?

Recommendation: The appropriate amount of test year revenues in this case are \$11,880 for the water system and \$11,498 for the wastewater system.

Issue 6: What are the appropriate amount of pre-repression operating expenses?

Recommendation: The appropriate amount of pre-repression operating expense for the Utility is \$22,702 for water and \$27,762 for wastewater.

Issue 7: What is the appropriate pre-repression revenue requirement?

Recommendation: The appropriate pre-repression revenue requirement is \$25,401 for water and \$30,383 for wastewater.

ITEM NO.

CASE

21**PAA

Docket No. 070414-WS – Application for staff-assisted rate case in Polk County by Hidden Cove, Ltd.

(Continued from previous page)

Issue 8: What are the appropriate pre-repression billing determinants for ratesetting purposes for the respective water and wastewater systems?

Recommendation: The appropriate pre-repression billing determinants for ratesetting are 136 ERCs and 7,711.3 thousand gallons (7,711.3 kgals) for the water system and 127 ERCs and 3,078.3 kgals for the wastewater system.

Issue 9: Should the Commission approve the Utility's request to defer the implementation of the approved increased rates until January 1, 2009?

Recommendation: Yes.

Issue 10: What are the appropriate rate structures and BFC cost recovery percentages for the utility's water and wastewater systems?

Recommendation: Beginning January 1, 2009, the appropriate rate structure for the water system is a change to the BFC/uniform gallonage charge rate structure, and the appropriate rate structure for the wastewater system is a change to the BFC/gallonage charge rate structure. The appropriate BFC cost recovery percentages are 60% for the water system and 70% for the wastewater system. For billing purposes, monthly residential wastewater usage should be capped at 6 kgal. The general service wastewater gallonage charge should be 1.2 times greater than the corresponding residential wastewater gallonage charge. In the event the utility has not completed the required meter installations by January 1, 2009, the utility should charge each customer without a meter only the approved BFC per month until the meter for that customer is installed. There should be no rate structure changes until January 1, 2009.

ITEM NO.

CASE

21**PAA

Docket No. 070414-WS – Application for staff-assisted rate case in Polk County by Hidden Cove, Ltd.

(Continued from previous page)

Issue 11: Are adjustments to reflect repression of consumption due to the price increases appropriate in this case, and, if so, what are the appropriate repression adjustments to be applied in order to calculate rates?

Recommendation: Yes, repression adjustments to both the water and wastewater systems are appropriate. Residential water consumption should be reduced by 48.3%, resulting in a consumption reduction of approximately 3,343.8 kgal. Total water consumption for ratesetting is 4,367.4 kgals, which represents a 43.4% reduction in overall consumption. The corresponding residential wastewater consumption should be reduced by 38.7%, resulting in a consumption reduction of approximately 1,136.2 kgals. Total wastewater consumption for ratesetting is 1,942.1 kgals, which represents a 36.9% reduction in overall consumption. The associated water system reductions to revenue requirements are \$1,508 in purchased power expense, \$447 in chemicals and \$88 in RAFs. The associated wastewater system reductions to revenue requirements are \$796 in purchased power expense, \$1,354 in chemicals, \$1,523 in sludge removal, and \$165 in RAFs. The resulting post-repression revenue requirements are \$23,359 for the water system and \$26,545 for the wastewater system.

In order to monitor the effects of the recommended revenue increases, the utility should be ordered to prepare monthly reports detailing the number of bills rendered, the consumption billed and the revenue billed. These reports should be provided, by customer class and meter size, on a quarterly basis for a period of two years, beginning with the first billing period after the increased rates go into effect. To the extent the utility makes adjustments to consumption in any month during the reporting period, the utility should be ordered to file a revised monthly report for that month within 30 days of any revision.

Issue 12: What are the appropriate rates for this utility?

Recommendation: The appropriate monthly water rates are shown on Schedule 4-A of staff's memorandum dated March 27, 2008, and the appropriate monthly wastewater rates are shown on Schedule 4-B of staff's memorandum dated March 27, 2008. Excluding miscellaneous service revenues, the recommended rates are designed to produce revenues of \$23,359, while the corresponding wastewater rates are designed to produce revenues of \$26,545. The utility should issue two notices to customers. Both notices should be approved by staff. The first notice should be provided to customers within 30 days after the Consummating Order is issued. The second notice to customers should be provided no later than December 31, 2008. In no case should increased rates be implemented until staff has approved the appropriate proposed customer notice. The utility should provide staff with proof of the date each notice was given no less than 10 days after the date of the notice.

ITEM NO.

CASE

21**PAA

Docket No. 070414-WS – Application for staff-assisted rate case in Polk County by Hidden Cove, Ltd.

(Continued from previous page)

Issue 13: Should the recommended rates be approved for Hidden Cove on a temporary basis, subject to refund, in the event of a protest by a party other than the Utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for Hidden Cove on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. Prior to implementation of any temporary rates, Hidden Cove should provide appropriate security consisting of either a bond, letter of credit, or escrow agreement. If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the analysis portion of staff's memorandum dated March 27, 2008. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., Hidden Cove should file reports with the Commission's Division of Economic Regulation no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

Issue 14: 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 March 27, 2008, 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. The Utility 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 Hidden Cove 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

21**PAA

Docket No. 070414-WS – Application for staff-assisted rate case in Polk County by Hidden Cove, Ltd.

(Continued from previous page)

Issue 15: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within twenty-one days of the issuance of the order, a consummating order will 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. In addition, as recommended in Issue 3, the Utility should complete all meter installations with six months from the issuance of a consummating order in this docket. Once staff has verified all of the above actions are complete, this docket should be closed administratively.

DECISION: The recommendations were approved with the understanding that staff will obtain 12 months of billing data. Staff will review this data and bring back a recommendation on whether a revenue neutral rate restructuring is appropriate. Commissioner Argenziano dissented on all issues.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

22**

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. 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.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop (060122-WU) / Argenziano (060606-WS)

Staff: ECR: Fletcher, Bulecza-Banks

GCL: Hartman

Issue 1: Should the Commission abate any Aloha proceedings pursuant to the suggestion of the Florida Governmental Utility Authority?

Recommendation: Yes, the Commission should establish a 120 day abatement period for all actions associated with implementing anion exchange and all actions necessary for Aloha to interconnect with Pasco County, except for the litigation to resolve the protests of Order No. PSC-08-0137-PAA-WU. The 120 day abatement period should not count against Aloha for purposes of the implementation of the Settlement Agreement approved by Order No. PSC-06-0270-AS-WU.

Issue 2: Should these dockets be closed?

Recommendation: No, these dockets should remain open pending the resolution of the issues associated with Aloha's interconnection with Pasco County and the implementation of anion exchange.

DECISION: The recommendations were approved.

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

23**

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.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: GCL: Hartman

ECR: Willis

Issue 1: Should Aloha Utilities, Inc. be ordered to show cause, in writing, within 21 days, why it should not be fined for its apparent violation of Section 367.081(1), F.S., for knowingly failing to comply with Order No. PSC-06-0270-AS-WU, by failing to report delays of the anion exchange treatment facilities in its quarterly report?

Recommendation: Yes. Aloha Utilities, Inc. should be ordered to show cause, in writing, within 21 days why it should not be fined a total of \$5,000 for its apparent violation of Public Service Commission Order No. PSC-06-0270-AS-WU, by failing to report delays in the completion of the anion exchange treatment facilities in its quarterly report.

DECISION: The recommendation was approved, with modification to increase the amount of the fine to \$15,000.

Issue 2: Should this docket be closed?

Recommendation: No. If Aloha pays the \$5,000 in fines, this show cause matter should be considered resolved. If the utility timely responds in writing to the Order to show cause, the docket should remain open to allow for the appropriate processing of the response.

This docket should also remain open to monitor the progress of the anion exchange treatment facility.

DECISION: The recommendation was approved. [CLK Note: new fine amount is \$15,000 based on Item 23, Issue 1 vote-ac]

Commissioners participating: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

24**

Docket No. 060582-TP – Petition of Alltel Communications, Inc. for designation as eligible telecommunications carrier (ETC) in certain rural telephone company study areas located entirely in Alltel's licensed area.

Critical Date(s): None

Commissioners Assigned: McMurrian, Argenziano, Skop

Prehearing Officer: Argenziano

Staff: CMP: Mann, Casey, Dowds, Fogleman, Salak

GCL: Teitzman, Poblete

Issue 1: Should the Commission acknowledge Alltel's Notice of Withdrawal, without prejudice, of its Petition?

Recommendation: Yes. The Commission should acknowledge Alltel's Notice of Withdrawal of its Petition, without prejudice. In addition, the Commission should find that the withdrawal renders any and all outstanding motions moot.

Issue 2: Should this docket be closed?

Recommendation: Yes. There is nothing further in the docket for this Commission to address, and the docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: McMurrian, Argenziano, Skop

ITEM NO.

CASE

25

Docket No. 070109-WS – Application for amendment of Certificates 611-W and 527-S to extend water and wastewater service areas to include certain land in Charlotte County by Sun River Utilities, Inc. (f/k/a MSM Utilities, LLC).

Critical Date(s): Pursuant to Section 120.569(2)(1), F. S., Final Order must be rendered by April 15, 2008

Commissioners Assigned: McMurrian, Argenziano, Skop
Prehearing Officer: McMurrian

Staff: ECR: Walden
GCL: Jaeger

Issue 1: Is there a need for service in the proposed territory, and, if so, when will service be required?

Recommendation: Yes. The utility has adequately demonstrated a need for service as required by Section 367.045(2)(b), F.S., for the requested territory. It appears that service may be needed within the next five years.

Issue 2: Does the applicant have the financial ability to serve the proposed territory?

Recommendation: Consistent with the stipulation approved by the Commission, the utility has the financial ability to serve the proposed territory.

Issue 3: Does the applicant have the technical ability to serve the proposed territory?

Recommendation: Consistent with the stipulation approved by the Commission, the utility has the technical ability to serve the proposed territory.

Issue 4: Does the applicant have sufficient plant capacity to serve the requested territory?

Recommendation: Consistent with the stipulation approved by the Commission, the utility has sufficient plant capacity to serve the requested territory, or will construct the plant when it is needed.

Issue 5: Is the proposed amendment inconsistent with the Charlotte County Comprehensive Plan?

Recommendation: The proposed amendment is not inconsistent with the Charlotte County Comprehensive Plan. However, if the Commission should determine that it is inconsistent, pursuant to Section 367.045(5)(b), F.S., any such inconsistency would not rise to the level that would cause the Commission to deny the utility's application.

Issue 6: Will the proposed amendment to the applicant's territory duplicate or compete with any other system?

Recommendation: There is no duplication or competition with any water or wastewater system in proximity to the requested amendment territory.

ITEM NO.

CASE

25

Docket No. 070109-WS – Application for amendment of Certificates 611-W and 527-S to extend water and wastewater service areas to include certain land in Charlotte County by Sun River Utilities, Inc. (f/k/a MSM Utilities, LLC).

(Continued from previous page)

Issue 7: If the proposed amendment would result in an extension of a system which would be in competition with, or a duplication of another system, is that other system inadequate to meet the reasonable needs of the public or is the owner of the system unable, unwilling, or neglecting to provide reasonably adequate service to the proposed territory?

Recommendation: As explained in Issue 6, there is no competition or duplication.

Issue 8: Is it in the public interest for the applicant to be granted an amendment to Certificates Nos. 611-W and 527-S for the territory proposed in its application?

Recommendation: Yes. When considered as a whole, the application is in the public interest, and Certificates Nos. 611-W and 527-S should be amended to include that territory described in Attachment A of staff's memorandum dated March 27, 2008. The resultant order should serve as Sun River's amended certificate and should be retained by the utility. Sun River should charge the customers in the territory added herein the rates and charges contained in its tariffs until authorized to change by this Commission in a subsequent proceeding.

Issue 9: Should this docket be closed?

Recommendation: Upon expiration of the appeal period, if no party timely appeals the order, this docket should be closed administratively.

DECISION: The recommendations were approved.

Commissioners participating: McMurrian, Argenziano, Skop