

MINUTES OF December 4, 2007

COMMISSION CONFERENCE

COMMENCED: 9:40 a.m.

ADJOURNED: 10:15 a.m.

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

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

1 Election of Chairman for a two-year term, beginning January 8, 2008.

DECISION: On motion of Commissioner Argenziano, and seconded by Commissioner McMurrian, Commissioner Carter was nominated to be the next Chair. Chairman Edgar called for a vote on the motion for Commissioner Carter to be the next Commission Chairman from January '08 through December '09. The motion was unanimously approved with no opposition.

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

2 **Approval of Minutes**
October 23, 2007 Regular Commission Conference

DECISION: The minutes were approved.

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

<u>ITEM NO.</u>	<u>CASE</u>
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3** **Consent Agenda**

PAA A) Request for cancellation of an alternative access vendor certificate.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>EFFECTIVE DATE</u>
070648-TA	Southeastern Services, Inc.	10/12/2007

PAA B) Applications for certificate to provide competitive local exchange telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
070656-TX	BetterWorld Telecom LLC d/b/a BetterWorld Telecom
070676-TX	Sterling Telecom Inc.

C) Docket No. 070673-EI – Application by Gulf Power Company (“Company”) for authority to: receive equity funds from and/or issue common equity securities to its parent company, Southern Company (“Southern”); issue and sell long-term debt and equity securities; and issue and sell short-term debt securities during 2008. The maximum amount of common equity contributions received from and common equity issued to Southern, the maximum amount of equity securities issued and the maximum principal amount of long-term debt securities issued will total not more than \$400 million. The maximum principal amount of short-term debt at any one time will total not more than \$250 million.

In connection with this application, the Company confirms that the capital raised pursuant to this application will be used in connection with the activities of Gulf Power Company and not the unregulated activities of its affiliates.

For monitoring purposes, this docket should remain open until April 28, 2009 to allow the Company time to file the required Consummation Report.

Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets, with the exception of Docket No. 070673-EI. For monitoring purposes, Docket No. 070673-EI should remain open until April 28, 2009 to allow the Company time to file the required Consummation Report.

DECISION: The recommendation was approved.

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

ITEM NO.

CASE

4**PAA

Docket No. 070395-TX – Request for cancellation of CLEC Certificate No. 8386 by Jax Telecom Inc., effective July 2, 2007.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny Jax Telecom Inc., a voluntary cancellation of its CLEC Certificate No. 8386 and cancel the certificate on the Commission's own motion with an effective date of July 2, 2007?

Recommendation: Yes. The company should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated November 20, 2007.

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 prior to the expiration of the Proposed Agency Action Order, then the cancellation of the company's competitive local exchange telecommunications certificate will be voluntary. If the company fails to pay the Regulatory Assessment Fee prior to the expiration of the Proposed Agency Action Order, then the company's competitive local exchange telecommunications 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 competitive local exchange telecommunications certificate is cancelled in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing competitive local exchange telecommunications service in Florida. This docket should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fee or upon cancellation of the company's competitive local exchange telecommunications certificate.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

5**PAA

Docket No. 070449-TI – Acknowledgment of cancellation of IXC Registration No. TI674 by Inmark, Inc. d/b/a Preferred Billing, effective July 18, 2007.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny Inmark, Inc. d/b/a Preferred Billing, a voluntary cancellation of its IXC tariff and Registration No. TI674 and cancel the tariff and remove the company's name from the register on the Commission's own motion with an effective date of July 18, 2007?

Recommendation: Yes. The company should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated November 20, 2007.

ITEM NO.

CASE

5**PAA

Docket No. 070449-TI – Acknowledgment of cancellation of IXC Registration No. TI674 by Inmark, Inc. d/b/a Preferred Billing, effective July 18, 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 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 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 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 or upon cancellation of the company's IXC tariff and removal of its name from the register.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

6**PAA

Docket No. 070575-TX – Request for cancellation of CLEC Certificate No. 8639 by Clearwire Telecommunications Services, LLC, effective August 31, 2007.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny Clearwire Telecommunications Services, LLC, a voluntary cancellation of its CLEC Certificate No. 8639 and cancel the certificate on the Commission's own motion with an effective date of August 31, 2007?

Recommendation: Yes. The company should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated November 20, 2007.

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 prior to the expiration of the Proposed Agency Action Order, then the cancellation of the company's competitive local exchange telecommunications certificate will be voluntary. If the company fails to pay the Regulatory Assessment Fee prior to the expiration of the Proposed Agency Action Order, then the company's competitive local exchange telecommunications 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 competitive local exchange telecommunications certificate is cancelled in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing competitive local exchange telecommunications service in Florida. This docket should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fee or upon cancellation of the company's competitive local exchange telecommunications certificate.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

7**PAA

Docket No. 070647-TI – Bankruptcy cancellation by Florida Public Service Commission of IXC Registration No. TJ789 issued to Florida Phone Service, Inc., effective 10/31/07.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission grant Florida Phone Service, Inc., as listed in Attachment A of staff's memorandum dated November 20, 2007, cancellation of its IXC tariff and remove its name from the register with an effective date of October 31, 2007, due to bankruptcy; notify the Office of Commission Clerk that any unpaid Regulatory Assessment Fees, including statutory late payment charges, should not be sent to the Florida Department of Financial Services and request permission to write off the uncollectible amounts; and require the company to immediately cease and desist providing intrastate interexchange telecommunications service in Florida?

Recommendation: Yes. The company's IXC tariff and Registration No. TJ789 should be granted a bankruptcy cancellation with an effective date of October 31, 2007.

Issue 2: Should this docket be closed?

Recommendation: Yes, if no protest is filed and upon issuance of a Consummating Order.

DECISION: This item was deferred.

ITEM NO.

CASE

8

Docket No. 070408-TP – Petition by Neutral Tandem, Inc. and Neutral Tandem-Florida, LLC for resolution of interconnection dispute with Level 3 Communications, LLC, and request for expedited resolution.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: McMurrian

Staff: GCL: Teitzman, Mann

CMP: Lee, King

Issue 1: Does the Commission have jurisdiction over Neutral Tandem’s Petition? If so, what is the source of the Commission’s authority?

Recommendation: Yes. Pursuant to §364.16(2), Florida Statutes, the Commission has authority to ensure that a CLEC provides access to and interconnection with its telecommunications service to any other provider of local exchange telecommunications service.

Issue 2: If the Commission has jurisdiction over Neutral Tandem’s Petition, does Neutral Tandem have standing to seek relief under §§364.16 and 364.162, Florida Statutes?

Recommendation: No. Staff does not believe Neutral Tandem’s delivery of transit traffic constitutes provision of local exchange telecommunications service for the purposes of §364.16(2), Florida Statutes. Furthermore, staff does not believe that under Florida law, Neutral Tandem qualifies as an agent for originating carriers. Accordingly, staff believes that Neutral Tandem lacks standing to seek relief under §§364.16 and 364.162, Florida Statutes.

While Neutral Tandem is not an agent under the legal definition, staff reiterates that the Commission has already held that (1) the originating carrier, not the terminating carrier, chooses how the originating call is routed to the end user; (2) the originating carrier is obligated to compensate the transit provider; (3) the originating carrier is responsible for delivering traffic to the transit provider in such a manner that it can be identified, routed, and billed; and, (4) the originating carrier, not the transit provider, should compensate the terminating carrier for terminating traffic to the end user. If an originating carrier believes that it is being adversely impacted by the actions of a terminating carrier, then the originating carrier is the appropriate party to file a letter of complaint or dispute with the Commission against the terminating carrier.

ITEM NO.

CASE

8

Docket No. 070408-TP – Petition by Neutral Tandem, Inc. and Neutral Tandem-Florida, LLC for resolution of interconnection dispute with Level 3 Communications, LLC, and request for expedited resolution.

(Continued from previous page)

Issue 3(a): If the Commission has jurisdiction over Neutral Tandem’s Petition and determines that Neutral Tandem has standing to bring its Petition:

- (a) Can the Commission require direct interconnection between Level 3 and Neutral Tandem, for the purpose of terminating transit traffic from originating carriers, delivered by Neutral Tandem to Level 3?

Recommendation: If the Commission approves staff’s recommendation in Issue 2, this issue will be rendered moot.

Issue 4: Should the Commission grant Level 3’s Motion to Dismiss?

Recommendation: Yes. If the Commission approves staff’s recommendation in Issue 2, Level 3’s Motion to Dismiss should be granted, without prejudice, because Neutral Tandem lacks standing to seek relief under §§364.16 and 364.162, Florida Statutes.

Issue 5: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff’s recommendation in Issue 2, this docket should be closed.

DECISION: This item was deferred.

ITEM NO.

CASE

9

Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: ECR: Breman, Ballinger, Draper, Kummer, Lewis, McNulty

CMP: Fisher, Harvey, Moses, Vinson

GCL: Young, Bennett, Fleming, Mann, Teitzman

RCA: Mills

DOCKET NO. 070297-EI – TAMPA ELECTRIC COMPANY

Issues 1-13 are stipulated issues shown in Appendix 1 of staff memorandum dated November 20, 2007. The Commission approved all stipulated issues, including approval of TECO's Plan. (TR 16, 542)

DECISION: The recommendation was stipulated.

DOCKET NO. 070298-EI – PROGRESS ENERGY FLORIDA, INC.

Issues 14-26 are stipulated issues shown in Appendix 1 of staff memorandum dated November 20, 2007. The Commission approved all stipulated issues, including approval of Progress's Plan. (TR 24)

DECISION: The recommendation was stipulated.

DOCKET NO. 070299-EI – GULF POWER COMPANY

Issues 27, 31-33, and 38 are stipulated and shown in Attachment 1 of staff's memorandum dated November 20, 2007. They were stipulated and approved at hearing. The remaining issues for Gulf are addressed below.

DECISION: The recommendation was stipulated.

ITEM NO.

CASE

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Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 27A: Should Gulf Power Company's unopposed motion to reopen the record in Docket No. 070299-EI for the limited purpose to include Gulf Power Company's Amended Storm Hardening Plan be granted?

Recommendation: Yes. The record in Docket No. 070299-EI should be reopened for the limited purpose of admitting Gulf's Amended Storm Hardening Plan as Exhibit No. 54.

DECISION: The recommendation was approved.

Issue 28: Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for new distribution facility construction? [Rule 25-6.0342(3)(b)1]

Recommendation: Yes. Gulf will begin applying EWL standards to critical infrastructure facilities and major thoroughfares as pilot projects, and will use Grade B for all new distribution facility construction.

DECISION: The recommendation was approved.

Issue 29: Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for major planned work on the distribution system, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this Rule for distribution facility construction? [Rule 25-6.0342(3)(b)2]

Recommendation: Yes. Gulf will begin applying EWL standards to critical infrastructure facilities and major thoroughfares as pilot projects, and will use Grade B for all new distribution facility construction.

DECISION: The recommendation was approved.

ITEM NO.

CASE

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Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 30: Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for distribution facilities serving critical infrastructure facilities and along major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations? [Rule 25-6.0342(3)(b)3]

Recommendation: Yes. Extreme Wind Loading (EWL) standards are adopted for targeted distribution facilities serving critical infrastructure facilities and along major thoroughfares.

DECISION: The recommendation was approved.

Issue 34: Does the Company's Plan provide a detailed description of the communities and areas within the utility's service area where the electric infrastructure improvements, including facilities identified by the utility as critical infrastructure and along major thoroughfares pursuant to subparagraph (3)(b)3 are to be made? [Rule 25-6.0342(4)(b)]

Recommendation: Yes. Gulf's Amended Plan provides a detailed description of the communities and areas within the utility's service area where electric infrastructure improvements, including facilities identified by the utility as critical infrastructure and along major thoroughfares are to be made.

DECISION: The recommendation was approved.

ITEM NO.

CASE

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Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 35: Does the Company's Plan provide a detailed description of the extent to which the electric infrastructure improvements involve joint use facilities on which third-party attachments exist? [Rule 25-6.0342(4)(c)]

Recommendation: Yes. Gulf has provided attachers with detailed descriptions and maps of electric infrastructure hardening projects within its Amended Plan. Also, sufficient information exchange and dispute resolution mechanisms are provided by the Process To Engage Third-Party Attachers.

DECISION: The recommendation was approved.

Issue 36: Does the Company's Plan provide an estimate of the costs and benefits to the utility of making the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages? [Rule 25-6.0342(4)(d)]

Recommendation: Yes. Gulf's Amended Plan provides an estimate of the costs and benefits of making electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages.

DECISION: The recommendation was approved.

Issue 37: Does the Company's Plan provide an estimate of the costs and benefits, obtained pursuant to subsection (6) in staff's memorandum dated November 20, 2007, to third-party attachers affected by the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages realized by the third-party attachers? [Rule 25-6.0342(4)(e)]

Recommendation: Yes. Gulf has provided an estimate of costs and benefits for storm hardening improvements and reduced storm restoration outages for third-party attachers. Also, sufficient information exchange and dispute resolution mechanisms are provided by the Process To Engage Third-Party Attachers.

DECISION: The recommendation was approved.

ITEM NO.

CASE

9**

Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 39: Based on the resolution of the preceding issues, should the Commission find that the Company's Plan meets the desired objectives of enhancing reliability and reducing restoration costs and outage times in a prudent, practical, and cost-effective manner to the affected parties? [Rule 25-6.0342(1) and (2)]

Recommendation: Yes. Gulf's Amended Plan meets the desired objectives of enhancing reliability and reducing restoration costs and outage times and, therefore, the Amended Plan should be approved.

DECISION: The recommendation was approved.

DOCKET NO. 070301-EI – FLORIDA POWER & LIGHT COMPANY

Issues 40, 45, and 51 were stipulated and are shown in Attachment 1 of staff's memorandum dated November 20, 2007. The remaining issues for FPL are addressed below.

DECISION: The recommendation was stipulated.

Issue 41: Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for new distribution facility construction? [Rule 25-6.0342(3)(b)]

Recommendation: Yes.

DECISION: The recommendation was approved.

ITEM NO.

CASE

9**

Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 42: Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for major planned work on the distribution system, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this Rule distribution facility construction? [Rule 25-6.0342(3)(b)2]

Recommendation: Yes. FPL's Plan meets the specific requirements of Rule 25-6.0342(3)(b)2, F.A.C, because FPL is incorporating its proposed EWL criteria into its design and construction standards for new facilities and because FPL's Plan calls for targeted incremental hardening up to and including meeting its EWL criteria.

DECISION: The recommendation was approved.

Issue 43: Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for distribution facilities serving critical infrastructure facilities and along major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations? [Rule 256.0342(3)(b)3]

Recommendation: Yes. FPL's Plan meets the specific requirements of Rule 25-6.0342(3)(b)3, F.A.C, because FPL is incorporating its proposed EWL criteria into its design and construction standards for new facilities and because FPL's Plan calls for application of EWL analysis to infrastructure that serve CIFs and overhead crossing of Interstate 75 and the Turnpike.

DECISION: The recommendation was approved.

ITEM NO.

CASE

9**

Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 44: Does the Company's Plan address the extent to which its distribution facilities are designed to mitigate damage to underground and supporting overhead transmission and distribution facilities due to flooding and storm surges? [Rule 25-6.0342(3)(c)]

Recommendation: Yes. FPL reasonably assessed what actions to pursue to reduce customer outages and restoration time resulting from damages incurred to underground and supporting distribution facilities from flooding and storm surges.

DECISION: The recommendation was approved.

Issue 46: Does the Company's Plan provide a detailed description of its deployment strategy including a description of the facilities affected, including technical design specifications, construction standards, and construction methodologies employed? [Rule 25-6.0342(4)(a)]

Recommendation: Yes. FPL's Plan includes updates to technical design specifications, construction standards, and construction methodologies employed implementing its EWL criteria.

DECISION: The recommendation was approved.

Issue 47: Does the Company's Plan provide a detailed description of the communities and areas within the utility's service area where the electric infrastructure improvements, including facilities identified by the utility as critical infrastructure and along major thoroughfares pursuant to subparagraph (3)(b)3, are to be made? [Rule 25-6.0342(4)(b)]

Recommendation: Yes. FPL's Plan lists 186 project sites for the period 2007 through 2009.

DECISION: The recommendation was approved.

ITEM NO.

CASE

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Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 48: Does the Company's Plan provide a detailed description of the extent to which the electric infrastructure improvements involve joint use facilities on which third-party attachments exist? [Rule 25-6.0342(4)(c)]

Recommendation: Yes. FPL has provided detailed descriptions and maps of electric infrastructure improvements, including joint use facilities to the extent possible, and sufficient information exchange and dispute resolution mechanisms are provided by the Process To Engage Third-Party Attachers.

DECISION: The recommendation was approved.

Issue 49: Does the Company's Plan provide an estimate of the costs and benefits to the utility of making the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages? [Rule 25-6.0342(4)(d)]

Recommendation: Yes.

DECISION: The recommendation was approved.

Issue 50: Does the Company's Plan provide an estimate of the costs and benefits, obtained pursuant to subsection (6) in staff's memorandum dated November 20, 2007, to third-party attachers affected by the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages realized by the third-party attachers? [Rule 25-6.0342(4)(e)]

Recommendation: Yes. FPL has provided an estimate of the costs and benefits, including reduced storm restoration costs and customer outages, for third-party attachers to the extent possible. Staff also believes sufficient information exchange and dispute resolution mechanisms are provided by the Process To Engage Third-Party Attachers.

DECISION: The recommendation was approved.

ITEM NO.

CASE

9**

Docket No. 070297-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.

Docket No. 070298-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.

Docket No. 070299-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.

Docket No. 070301-EI – Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

(Continued from previous page)

Issue 52: Based on the resolution of the preceding issues, should the Commission find that the Company's Plan meets the desired objectives of enhancing reliability and reducing restoration costs and outage times in a prudent, practical, and cost-effective manner to the affected parties? [Rule 25-6.0342(1) and (2)]

Recommendation: Yes. Staff believes that FPL's Plan meets the desired objectives of enhancing reliability and reducing restoration costs and outage times and, therefore, the Plan should be approved.

DECISION: The recommendation was approved.

Issue 53: Should this docket be closed?

Recommendation: Yes. If the Commission approves FPL's Storm Hardening Plan and Gulf's Amended Storm Hardening Plan, no further action is required and ~~these~~the following dockets should be closed: 070297-EI, 070298-EI, 070299-EI, and 070301-EI.

DECISION: The recommendation was approved with the modification that, pursuant to Rule 25-6.0342, F.A.C., each utility's Storm Hardening Plan should be filed by May 1, 2010.

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

ITEM NO.

CASE

10**

Docket No. 070570-GP – Petition for approval of natural gas transmission pipeline tariff by Peninsula Pipeline Company, Inc.

Critical Date(s): April 27, 2008 - (8-month effective date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Draper

GCL: Fleming

Issue 1: Should the Commission approve Peninsula's proposed natural gas transmission pipeline tariff?

Recommendation: Yes, the proposed tariff should be approved pursuant to Chapter 368, F.S. Upon the issuance of the consummating order in this docket, Peninsula shall pay regulatory assessment fees as required by Rule 25-7.101, Florida Administrative Code (F.A.C.). Peninsula shall also file Annual Reports as required by Rule 25-7.100, F.A.C. Within 45 days after executing a transportation service agreement, Peninsula and the customer shall file an affidavit with the Commission as required by Section 368.105(3), F.S. Upon request by the Commission, Peninsula shall make available its negotiated Firm Transportation Service Agreements.

Issue 2: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved, this tariff should become effective on December 4, 2007. If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

11**PAA

Docket No. 070177-WU – Application for staff-assisted rate case in Pasco County by LWV Utility.

Critical Date(s): September 16, 2008 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Carter

Staff: ECR: Hudson, Bulecza-Banks, Edwards, Rendell, Bruce
GCL: Brown

Issue 1: Should the quality of service provided by LWV Utilities, Inc. be considered satisfactory?

Recommendation: Yes. LWV Utilities, Inc.'s overall quality of service should be considered satisfactory.

Issue 2: Should the utility operations of Advisor Enterprises be consolidated with LWV Utilities?

Recommendation: Yes. The utility operations of Advisor Enterprises should be consolidated with LWV Utilities.

Issue 3: What are the used and useful percentages for the utility's water treatment plant and water distribution system?

Recommendation: LWV's water treatment and water distribution systems should be considered 100% used and useful (U&U).

Issue 4: What is the appropriate average test year rate base for the utility?

Recommendation: The appropriate average test year rate base for the utility is \$44,175.

Issue 5: What is the appropriate rate of return on equity and overall rate of return for this utility?

Recommendation: The appropriate return on equity is 9.06% with a range of 8.06% - 10.06%. The appropriate overall rate of return is 8.86%.

Issue 6: What is the appropriate test year revenue?

Recommendation: The appropriate test year revenue for this utility is \$91,853.

Issue 7: What is the appropriate allocation of common expenses to LWV Utilities?

Recommendation: The appropriate allocation of common expenses to LWV is 63%.

Issue 8: What is the appropriate operating expense?

Recommendation: The appropriate amount of operating expense for the utility is \$93,860.

Issue 9: What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement is \$98,052.

ITEM NO.

CASE

11**PAA

Docket No. 070177-WU – Application for staff-assisted rate case in Pasco County by LWV Utility.

(Continued from previous page)

Issue 10: Should the utility's current water system rate structure be changed, and, if so, what is the appropriate rate structure?

Recommendation: Yes. The utility's current water system rate structure, which includes a 6,000 (6 kgal) water allotment in the base facility charge (BFC), should be changed to a two-tier inclining block rate structure. The pre-repression BFC cost recovery should be set at 40%. The usage blocks should be set for consumption at: a) 0-10 kgal; b) usage in excess of 10 kgal, with appropriate usage block rate factors of 1.0 and 1.25, respectively. Staff recommends changing the utility's current bi-monthly BFC to a monthly BFC based on an inclining block rate structure.

Issue 11: Is a repression adjustment appropriate in this case, and, if so, what is the appropriate adjustment?

Recommendation: No. A repression adjustment is not appropriate for this utility. However, in order to monitor the effects resulting from the changes in revenues, the utility should prepare monthly reports for the water system, detailing the number of bills rendered, the consumption billed and revenues billed. In addition, the reports should be prepared by customer class and meter size. The reports should be filed with staff, on a quarterly basis, for a period of two years beginning the first billing period after the approved 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 the utility?

Recommendation: The appropriate monthly water rates are shown on Schedule No. 4 in staff's memorandum dated November 20, 2007. The recommended rates should be designed to produce revenue of \$97,287 for water, excluding miscellaneous service charges. 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 no less than 10 days after the date of the notice.

ITEM NO.

CASE

11**PAA

Docket No. 070177-WU – Application for staff-assisted rate case in Pasco County by LWV Utility.

(Continued from previous page)

Issue 13: Should the customers of Advisor receive refunds of incorrectly charged rates?

Recommendation: The utility should refund \$8,249 or 7.73% of test year revenues to Advisor customers. The refunds should be made monthly to these customers over the next twelve months and should be made with interest, as required by Rule 25-30.360(4), F.A.C. The utility should be required to submit the proper refund reports, pursuant to Rule 25-30.360(7), F.A.C. The refund should be completed within one year of the effective date of this Order. The utility should treat any unclaimed refunds as contributions-in-aid-of-construction (CIAC), pursuant to Rule 25-30.360(8), F.A.C.

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, Florida Statutes?

Recommendation: The water rates should be reduced as shown on Schedule No. 4 in staff's memorandum dated November 20, 2007, 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 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.

Issue 15: Should the recommended rates be approved for the utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the utility 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, the utility should provide appropriate security. 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 November 20, 2007. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the utility 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.

ITEM NO.

CASE

11**PAA

Docket No. 070177-WU – Application for staff-assisted rate case in Pasco County by LWV Utility.

(Continued from previous page)

Issue 16: Should LWV Utilities be ordered to show cause, in writing within 21 days, why it should not be fined for charging rates and charges that are not contained in its tariff, in apparent violation of Sections 367.081(1) and 367.091(4), Florida Statutes?

Recommendation: No, a show cause proceeding should not be initiated. The utility should, however, be put on notice that, pursuant to Sections 367.081(1) and 367.091(4), Florida Statutes, it must only charge those rates and charges approved by the Commission in its tariff.

Issue 17: 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 and that the refund has been completed and verified by staff. Once these actions are complete, this docket should be closed administratively

DECISION: The recommendations were approved.

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