

MINUTES OF May 16, 2006

COMMISSION CONFERENCE

COMMENCED: 9:35 a.m.

ADJOURNED: 10:40 a.m.

COMMISSIONERS PARTICIPATING: Chairman Edgar
Commissioner Deason
Commissioner Arriaga
Commissioner Carter
Commissioner Tew

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

1

Approval of Minutes

April 18, 2006 Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

2**

Consent Agenda

PAA

A) Application for certificate to provide shared tenant service.

DOCKET NO.

COMPANY NAME

060320-TS

Digital Community Networks, Inc.

PAA

B) Requests for cancellation of competitive local exchange telecommunications certificates.

DOCKET NO.

COMPANY NAME

EFFECTIVE
DATE

060294-TX

USA Telecom, Inc.

3/30/2006

060337-TX

Business Communications, Inc.

4/11/2006

Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets.

DECISION: The recommendation was approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

3**

Docket No. 060035-GU – Petition to initiate rulemaking to amend Rule 25-7.037, F.A.C., Change in Character of Service, by Associated Gas Distributors of Florida, Inc.

Critical Date(s): None

Rule Status: Proposed

Commissioners Assigned: All Commissioners

Prehearing Officer: Deason

Staff: GCL: Moore

CMP: Bulecza-Banks

ECR: Hewitt

RCA: Fletcher

Issue 1: Should the Commission propose to amend Rule 25-7.037, Florida Administrative Code?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or comments are filed, the rule amendments as proposed should be filed for adoption with the Secretary of State and the docket closed.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

4**PAA

Docket No. 050194-TL – Complaint by Florida BellSouth customers who paid fees to BellSouth Telecommunications, Inc. related to Miami-Dade County Ordinance Section 21-44 ("Manhole Ordinance") and request that Florida Public Service Commission order BellSouth to comply with Section A.2.4.6 of General Subscriber Service Tariff and refund all fees collected in violation thereof. (Deferred from May 2, 2006 conference; revised recommendation filed.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Carter

Staff: GCL: Scott, Fordham

CMP: Simmons, Dowds, Higgins

Issue 1: Has BellSouth violated the terms of Section A.2.4.6 of its General Subscriber Service Tariff, with respect to the Manhole Ordinance Fee, for all or part of the period 1983 through 2005? If so, what action should the Commission take?

Recommendation: Staff recommends the Commission find that BellSouth violated the terms of Section A.2.4.6 of its General Subscriber Service Tariff, during all or part of the period 1998 through 2005. Given that the per line credit or refund would be less than \$.50, and since a significant number of affected customers may no longer be receiving service from BellSouth, staff recommends that no customer credit or refund be required. Instead, staff recommends that the Commission set the cumulative overage in collections, with interest, as of year-end 2005 at \$469,176 and require that BellSouth consider this overage and any overage/underage for January 2006 through June 2006, in setting the Manhole Ordinance Fee to be assessed for the period July 2006 through December 2006. In addition, staff recommends the Commission find that, pursuant to existing Section A.2.4.6 of its General Subscriber Service Tariff, BellSouth is required to perform reconciliations for each future six-month period and to apply the overage/underage in collections as an accounting adjustment, to determine the appropriate fee. Finally, staff recommends that in the future, overhead loadings be computed using the same method in general use by BellSouth (i.e., the "original" method).

Issue 2: Should this docket be closed?

Recommendation: The Order issued from this recommendation will be a Proposed Agency Action. Thus, the Order will become final and effective upon issuance of a Consummating Order if no person whose substantial interests are affected timely files a protest within 21 days of issuance of this Order. With issuance of a Consummating Order, this docket should be closed.

DECISION: The item was deferred.

ITEM NO.

CASE

5**PAA

Docket No. 060311-TL – Investigation and determination of appropriate method for issuing Service Guarantee Credits to all affected customers of BellSouth Telecommunications, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Curry, Lewis

GCL: Scott

Issue 1: Should the Commission accept BellSouth Telecommunications, Inc.'s proposal to issue credits, as required by BellSouth Telecommunications, Inc.'s Service Guarantee Plan, to all affected customers in the amounts of \$49,129, plus interest, for missed commitments for installation of primary service and for \$407,675, plus interest, for failure to complete repairs within twenty-four hours, for a total credit of \$456,804, plus interest?

Recommendation: Yes. The Commission should accept BellSouth Telecommunications, Inc.'s proposal to issue credits, as required by BellSouth Telecommunications, Inc.'s Service Guarantee Plan, to all affected customers in the amounts of \$49,129, plus interest, for missed commitments for installation of primary service and for \$407,675, plus interest, for failure to complete repairs within twenty-four hours, for a total credit of \$456,804, plus interest.

ITEM NO.

CASE

5**PAA

Docket No. 060311-TL – Investigation and determination of appropriate method for issuing Service Guarantee Credits to all affected customers of BellSouth Telecommunications, Inc.

(Continued from previous page)

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 interest 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's Order is not protested, BellSouth will issue the SGP credits, plus interest, for missed installation commitments and repairs no later than 30 days after the issuance of the Consummating Order. If the customer is no longer with BellSouth, but has an outstanding final bill, the company will apply the credit, plus interest, towards the final bill. If the customer is no longer with BellSouth and there is no outstanding final bill, the company will mail a check for the credit amount, plus interest, to the last known address on file for the customer. BellSouth will contribute all unclaimed funds to the Lifeline Community Service Fund. BellSouth will also provide the Commission with a final report no later than 90 days after the issuance of the Consummating Order, identifying the total amount of interest that was calculated and issued by BellSouth to all affected customers for the missed installation commitments and repair credits, the total number of customers that actually received the credits, the total amount of money that was actually credited, including interest, the total number of customers who did not receive the credits, and the total amount of unclaimed funds, including interest, that was placed in the Lifeline Community Service Fund. If staff determines that BellSouth has complied with the provisions of the Commission's Order, then this docket will be closed administratively. If BellSouth fails to demonstrate that it has complied with the provisions of the Commission's Order, then this docket will remain open pending further action.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

6**PAA

Docket No. 050938-TP – Joint application for approval of transfer of control of ALLTEL Florida, Inc., holder of ILEC Certificate No. 10 and PATS Certificate No. 5942, from Alltel Corporation to Valor Communications Group, and for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., due to transfer of long distance customers of ALLTEL Communications, Inc. to Alltel Holding Corporate Services, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Watts

ECR: Lester

GCL: Scott, Tan

Issue 1: Should the Commission approve the joint application for approval of transfer of control of ALLTEL Florida, Inc., holder of ILEC Certificate No. 10 and PATS Certificate No. 5942, from Alltel Corporation to Windstream Corporation?

Recommendation: Yes. The Commission should approve the transfer of control of ALLTEL Florida, Inc. from Alltel Corporation to Windstream Corporation.

Issue 2: Should the Commission approve the waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code, in the transfer of ALLTEL Communications, Inc.'s customers to Alltel Corporate Holding Services, Inc.?

Recommendation: Yes. The Commission should waive the carrier selection requirements of Rule 25-4.118, Florida Administrative Code, in this instance.

Issue 3: 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. If the Commission's Order is not protested this docket should be closed administratively upon issuance of the Consummating Order.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

7**PAA

Docket No. 050965-TX – Compliance investigation of Benchmark Communications, LLC d/b/a Com One for apparent violation of Section 364.183(1), F.S., Access to Company Records. (Deferred from May 2, 2006 conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Watts, Howell, Ollila

GCL: Tan, Wiggins

Issue 1: Should the Commission accept Benchmark Communications, LLC d/b/a Com One's proposal that the Commission vacate Proposed Agency Action Order No. PSC-06-0229-PAA-TX as it pertains to Benchmark Communications, LLC only, or in the alternative its settlement offer to voluntarily contribute \$500 to the Commission for deposit in the General Revenue Fund within 30 days of issuance of the Consummating Order to resolve its apparent violation of Section 364.183(1), Florida Statutes?

Recommendation: No. The Commission should not accept the company's proposal to vacate PAA Order No. PSC-06-0229-PAA-TX as it pertains to Benchmark only, or its settlement offer of \$500.

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 Benchmark 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 Benchmark fails to pay the \$10,000 penalty imposed in PAA Order No. PSC-06-0229-PAA-TX within fourteen (14) calendar days after the issuance of the Consummating Order, the company's CLEC Certificate No. 8568 should be canceled. If Benchmark's certificate is canceled in accordance with the Commission's Order from this recommendation, Benchmark should be required to immediately cease and desist providing telecommunications service in Florida. This docket should be closed administratively upon either receipt of the payment of the penalty imposed or upon the cancellation of the company's certificate.

DECISION: The item was deferred.

ITEM NO.

CASE

8**

Docket No. 050821-TC – Compliance investigation of Conversant Technologies, Inc., PATS Certificate No. 8020, for apparent violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: Scott

Issue 1: Should the Commission accept the settlement offer proposed by Conversant Technologies, Inc., as listed in Attachment A of staff's May 4, 2006 memorandum, to resolve the apparent violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies?

Recommendation: Yes. The settlement proposal should be accepted.

Issue 2: Should this docket be closed?

Recommendation: Staff recommends that if the Commission approves staff's recommendation in Issue 1, this docket should be closed as no other issues need to be addressed by the Commission.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

9**PAA

Docket No. 060263-TI – Acknowledgment of cancellation of IXC Registration No. TI072 by TTE of Maryland, Inc., effective March 9, 2006.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny TTE of Maryland, Inc., a voluntary cancellation of its IXC tariff and Registration No. TI072 and cancel the tariff and remove the company's name from the register on the Commission's own motion with an effective date of March 9, 2006?

Recommendation: Yes. The company should be denied a voluntary cancellation as listed on Attachment A of staff's May 4, 2006 memorandum.

ITEM NO.

CASE

9**PAA

Docket No. 060263-TI – Acknowledgment of cancellation of IXC Registration No. TI072 by TTE of Maryland, Inc., effective March 9, 2006.

(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 Fees 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 Fees 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 Fees 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 Fees 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, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

10**PAA

Docket No. 060033-TX – Application for certificate to provide competitive local exchange telecommunications service by Florida Phone Service, Inc. d/b/a Global Telecom Group.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: McCoy, Cordiano

ECR: Lester

GCL: McKay, Tan

Issue 1: Should the Commission accept the settlement offer proposed by Florida Phone Service, Inc. d/b/a Global Telecom Group, and grant the company Certificate No. 8630 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 Florida Phone Service, Inc. d/b/a Global Telecom Group and grant the company Certificate No. 8630 to operate as a competitive local exchange telecommunications company in Florida.

Issue 2: Should the Commission accept FPS' proposal to issue refunds of \$3,686.53, plus interest of \$182.38, for a total of \$3,868.91, to the affected customers within 30 days of the issuance of the Consummating Order, for overcharging end-users from January 2004 through February 2006; require the company to remit monies that it was unable to refund to the Commission for deposit in the State of Florida General Revenue Fund within 90 days of the issuance of the Consummating Order; and require the company to provide the Commission with a written confirmation, within 90 days of the issuance of the Consummating Order, stating: (1) the total amount of money refunded by check; (2) the total amount of money credited to customer accounts; and (3) the total amount of money that FPS was unable to refund?

Recommendation: Yes. The Commission should accept FPS' proposal to issue refunds to affected customers.

ITEM NO.

CASE

10**PAA

Docket No. 060033-TX – Application for certificate to provide competitive local exchange telecommunications service by Florida Phone Service, Inc. d/b/a Global Telecom Group.

(Continued from previous page)

Issue 3: Should this docket be closed?

Recommendation: The Order issued from this recommendation will be a proposed agency action. Thus, the Order will become final and effective upon issuance of the Consummating Order if no person whose substantial interests are affected timely files a protest within 21 days of issuance of this Order. The company should submit its final refund report, identified by docket number, and a check for the nonrefundable amount (if any), made payable to the Florida Public Service Commission within 90 days of the issuance of the Consummating Order. Unrefundable amounts (if any) should be submitted to the Florida Department of Financial Services for deposit in the General Revenue Fund. Payment of the \$500 penalty assessed in Docket No. 050622-TX should be made within 30 days of the issuance of the Consummating Order. The cost of RAF collection will be subtracted from the \$500 payment and will be deposited in the Florida Public Service Regulatory Trust Fund, pursuant to Section 350.113, Florida Statutes. Any monetary amount of the \$500 payment exceeding the cost of collection will be remitted to the Florida Department of Financial Services for deposit in the General Revenue Fund, pursuant to Section 364.285(1), Florida Statutes. The \$5,000 contribution to the General Revenue Fund should be paid in three equal monthly installments of \$1,666.66. The first payment is to be made within 30 days of the issuance of the Consummating Order; the second payment within 60 days of the issuance of the Consummating Order; and the final payment within 90 days of the issuance of the Consummating Order. If the company fails to make the refunds, submit its final report, submit unrefundable amounts (if any), the \$5,000 contribution, and the \$500 payment, Certificate No. 8630 should be cancelled. Staff will notify underlying carriers to discontinue providing the company wholesale local exchange service, and the company should be required to immediately cease and desist providing any telecommunications service in Florida. This docket should be closed administratively upon either verification that the refunds have been made, the \$5,000 contribution and \$500 payment have been submitted, unrefundable monies have been submitted to the Commission, or upon cancellation of Certificate No. 8630 and notification to underlying carriers to discontinue providing wholesale local exchange service.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

11**

Docket No. 050960-TP – Request for cancellation of CLEC Certificate No. 7493 and for acknowledgment of cancellation of IXC Registration No. TJ376 effective December 27, 2005, by U.S. TelePacific Corp. d/b/a TelePacific Communications.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: Tan, Teitzman

Issue 1: Should the Commission grant U.S. TelePacific Corp. d/b/a TelePacific Communications a voluntary cancellation of its competitive local exchange company (CLEC) Certificate No. 7493 and intrastate interexchange telecommunications company (IXC) tariff and Registration No. TJ376 with an effective date of December 27, 2005?

Recommendation: Yes. The company should be granted a voluntary cancellation as listed on Attachment A of staff's May 4, 2006 memorandum.

Issue 2: Should this docket be closed?

Recommendation: Yes. Staff recommends that if the Commission approves staff's recommendation in Issue 1, this docket should be closed as no other issues need to be addressed by the Commission.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

12**PAA

Docket No. 060268-TC – Request for cancellation of PATS Certificate No. 8542 by Mark A Lain & Kathryn L Lain d/b/a MKL Enterprises, effective March 3, 2006.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: McKay

Issue 1: Should the Commission deny Mark A Lain & Kathryn L Lain d/b/a MKL Enterprises a voluntary cancellation of its pay telephone company (PATS) Certificate No. 8542 and cancel the certificate on the Commission's own motion with an effective date of March 3, 2006?

Recommendation: Yes. The company should be denied a voluntary cancellation as listed on Attachment A of staff's May 4, 2006 memorandum.

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 Fees prior to the expiration of the Proposed Agency Action Order, then the cancellation of the company's pay telephone certificate will be voluntary. If the company fails to pay the Regulatory Assessment Fees prior to the expiration of the Proposed Agency Action Order, then the company's pay telephone certificate should be cancelled administratively, and the collection of the past due Regulatory Assessment Fees should be referred to the Florida Department of Financial Services for further collection efforts. If the company's pay telephone certificate is cancelled in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing pay telephone service in Florida. This docket should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fees or upon cancellation of the company's pay telephone certificate.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

13**

Docket No. 050805-EQ – Petition for approval of new standard offer for purchase of firm capacity and energy from renewable energy facilities and approval of tariff schedule REF-1, by Gulf Power Company.

Docket No. 050806-EQ – Petition for approval of renewable energy tariff and standard offer contract, by Florida Power & Light Company.

Docket No. 050807-EQ – Petition for approval of amended standard offer contract tariff and renewable energy tariff, by Progress Energy Florida, Inc.

Docket No. 050810-EQ – Petition for approval of standard offer contract for small qualifying facilities and producers of renewable energy, by Tampa Electric Company.

Critical Date(s): 6/1/06 (Current standard offer contracts expire; new contracts must become available to ensure a "continuous offer" per Section 366.91, Florida Statutes.)

6/2/06 (60-day suspension date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ECR: Harlow, Haff, Baxter, Kummer

GCL: Keating

Issue 1: Should the Commission approve the renewable standard offer contracts as filed on April 3, 2006, by Florida Power & Light Company (FPL), Progress Energy Florida, Inc. (PEF), Gulf Power Company (Gulf), and Tampa Electric Company (TECO)?

Recommendation: Gulf's proposed standard offer contract should be approved. Gulf's proposed standard offer contract is based on the only avoidable unit in Gulf's 2006 Ten-Year Site Plan. The standard offer contracts filed by FPL, PEF, and TECO should be denied. These companies should be directed to amend their tariffs to include multiple standard offer contracts based on each of the fossil fuel units shown in Table 1 of staff's May 4, 2006 memorandum. The resulting Fossil Fuel Unit Type Portfolio approach with the renewable generator selecting the avoided unit will best meet the intent of the statute to encourage the development of renewable energy resources in Florida, provide continuously available standard offers to renewable generators, and encourage utilities to negotiate contracts with avoided cost and operating characteristics which better match the needs of renewable generators.

ITEM NO.

CASE

13**

Docket No. 050805-EQ – Petition for approval of new standard offer for purchase of firm capacity and energy from renewable energy facilities and approval of tariff schedule REF-1, by Gulf Power Company.

Docket No. 050806-EQ – Petition for approval of renewable energy tariff and standard offer contract, by Florida Power & Light Company.

Docket No. 050807-EQ – Petition for approval of amended standard offer contract tariff and renewable energy tariff, by Progress Energy Florida, Inc.

Docket No. 050810-EQ – Petition for approval of standard offer contract for small qualifying facilities and producers of renewable energy, by Tampa Electric Company.

(Continued from previous page)

Issue 2: Should these dockets be closed?

Recommendation: If the Commission approves staff's recommendation to approve Gulf's revised standard offer contract and no person whose substantial interests are affected requests a hearing to address this matter, then Docket No. 050805-EQ should be closed, and Gulf's revised tariff and standard offer contract should become effective June 2, 2006.

If the Commission approves staff's recommendation to deny FPL's, PEF's, and TECO's revised standard offer contracts, Docket Nos. 050806-EQ, 050807-EQ, and 050810-EQ should remain open to allow FPL, PEF, and TECO to file revised tariffs no later than May 24, 2006, consistent with the Commission's vote. Staff would administratively approve these contracts prior to June 2, 2006, if consistent with the Commission's vote.

DECISION: The standard offer contracts filed by Gulf, FPL, Progress, and TECO were approved. FPL, Progress, and TECO were directed to file additional standard offer contracts within 90 days consistent with the portfolio approach. Additionally, rulemaking will be initiated.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

14**

Docket No. 060301-EI – Petition for approval of permanent program expanding optional budget billing to GSD-1 rate customers, by Florida Power & Light Company.

Critical Date(s): 5/30/06 (60-day suspension date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Baxter

GCL: Brown

Issue 1: Should the Commission approve FPL's petition for Approval of a Permanent Program Expanding Optional Budget Billing to GSD-1 Rate Customers?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved, this tariff should become effective on July 1, 2006. If a protest is filed within 21 days of the issuance of the order, these tariffs should remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed upon issuance of a consummating order.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

15**

Docket No. 060017-EI – Petition for approval of revised underground residential distribution tariffs, by Progress Energy Florida, Inc.

Critical Date(s): 3/7/06 (60-day suspension date)
9/1/06 (8-month effective date)

Commissioners Assigned: All Commissioners
Prehearing Officer: Administrative

Staff: ECR: Baxter, Draper, Lee
GCL: Brown

Issue 1: Should the Commission approve PEF's revised Underground Residential Distribution tariffs and their associated charges?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved, this tariff should become effective on May 16, 2006. 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, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

16**

Docket No. 060299-EI – Petition for approval of revised tariff sheets for underground residential distribution service, by Tampa Electric Company.

Critical Date(s): 5/30/06 (60-day suspension date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Draper
GCL: Gervasi

Issue 1: Should TECO's petition for approval of revisions to its Underground Residential Distribution (URD) tariffs be suspended?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: No.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

17**PAA

Docket No. 060006-WS – Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.

Critical Date(s): 12/30/06 (Pursuant to Section 367.081(4)(f), Florida Statutes.)

Commissioners Assigned: All Commissioners

Prehearing Officer: Carter

Staff: ECR: Lester, Springer

GCL: Jaeger

Issue 1: What is the appropriate range of returns on common equity for water and wastewater (WAW) utilities pursuant to Section 367.081(4)(f), Florida Statutes?

Recommendation: Staff recommends that the current leverage formula methodology be applied using updated financial data. Staff recommends the following leverage formula:

Return on Common Equity = 7.26% + 1.714/Equity Ratio

Where the Equity Ratio = Common Equity / (Common Equity + Preferred Equity + Long-Term and Short-Term Debt)

Range: 8.97% @ 100% equity to 11.54% @ 40% equity

Issue 2: Should the Commission close this docket?

Recommendation: No. Upon expiration of the protest period, if a timely protest is not received from a substantially affected person, the decision should become final and effective upon the issuance of a Consummating Order. However, this docket should remain open to allow staff to monitor changes in capital market conditions and to readdress the reasonableness of the leverage formula as conditions warrant.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

18**

Docket No. 050912-WS – Application for transfer of majority organizational control of Plantation Bay Utility Co. in Flagler and Volusia Counties from Francois Lazare to Morteza Hosseini-Kargar.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Arriaga

Staff: ECR: Johnson, Kaproth, Redemann

GCL: Gervasi

Issue 1: Should the transfer of majority organizational control of Plantation Bay from Mr. Francois Lazare to Mr. Morteza Hosseini-Kargar be approved?

Recommendation: Yes. The transfer of majority organizational control of Plantation Bay from Mr. Francois Lazare to Mr. Morteza Hosseini-Kargar is in the public interest and should be approved effective on the date of the Commission's vote. Pursuant to Rule 25-9.044(1), Florida Administrative Code, the rates and charges approved for Plantation Bay should be continued until authorized to change by the Commission in a subsequent proceeding. Plantation Bay is responsible for all regulatory assessment fees and annual reports for 2005 and into the future. A description of the territory being transferred is appended to staff's recommendation as Attachment A.

Issue 2: Should this docket be closed?

Recommendation: Yes. Because no further action is necessary, this docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

19**

Docket No. 060283-WU – Application for amendment of Certificate 363-W to add and delete territory in Marion County by Sunshine Utilities of Central Florida, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Walden

GCL: Jaeger

Issue 1: Should the Commission approve Sunshine’s application to amend its Certificate No. 363-W to include new territory, and to delete other territory that will not be served?

Recommendation: Yes. The Commission should approve Sunshine’s application to amend Certificate No. 363-W to include new territory and to delete other territory as discussed in the analysis in staff’s May 4, 2006 memorandum. Sunshine should charge the customers in the added territory, as reflected in Attachment A of staff’s memorandum, the rates and charges contained in its tariff until authorized to change by this Commission in a subsequent proceeding.

Issue 2: Should this docket be closed?

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

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Deason, Arriaga, Carter, Tew

ITEM NO.

CASE

20**

Docket No. 040130-TP – Joint petition by NewSouth Communications Corp., NuVox Communications, Inc., and Xspedius Communications, LLC, on behalf of its operating subsidiaries Xspedius Management Co. Switched Services, LLC and Xspedius Management Co. of Jacksonville, LLC, for arbitration of certain issues arising in negotiation of interconnection agreement with BellSouth Telecommunications, Inc.

Critical Date(s): None

Commissioners Assigned: Edgar, Arriaga, Carter

Prehearing Officer: Edgar

Staff: CMP: Dowds

GCL: Scott

Issue 1: Should the Commission approve the arbitrated agreements between BellSouth and NuVox and between BellSouth and Xspedius submitted on April 21, 2006?

Recommendation: Yes. The agreements have been signed by the respective parties and incorporate the resolution of the arbitrated issues.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, no further actions are required, and this docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Edgar, Arriaga, Carter

ITEM NO.

CASE

21

Docket No. 041144-TP – Complaint against KMC Telecom III LLC, KMC Telecom V, Inc., and KMC Data LLC for alleged failure to pay intrastate access charges pursuant to its interconnection agreement and Sprint's tariffs and for alleged violation of Section 364.16(3)(a), F.S., by Sprint-Florida, Incorporated.

Critical Date(s): None

Commissioners Assigned: Deason

Prehearing Officer: Deason

Staff: GCL: Wiggins, Fordham

CMP: King, Pruitt

Issue 1: Should the Commission acknowledge the parties' Joint Notice of Settlement With Prejudice?

Recommendation: Yes. The Commission should acknowledge the Joint Notice of Settlement With Prejudice. In addition, the Commission should find that the Joint Notice of Settlement With Prejudice renders any and all outstanding motions moot, and that any confidential documents filed in this matter be returned to the submitting party.

Issue 2: Should this docket be closed?

Recommendation: Yes. With the Notice of Settlement and request that the Docket be closed, there are no further matters for this Commission to adjudicate in this Docket and, therefore, it should be closed.

DECISION: The recommendations were approved.

Commissioner participating: Deason

ITEM NO.

CASE

22

Docket No. 050581-TP – Complaint of KMC Telecom III LLC and KMC Telecom V, Inc. against Sprint-Florida, Incorporated and Sprint Communications Company Limited Partnership for alleged failure to pay intrastate access charges pursuant to interconnection agreement and Sprint's tariffs, and for alleged violation of Section 364.16(3)(a), F.S.

Critical Date(s): None

Commissioners Assigned: Deason, Carter, Tew

Prehearing Officer: Deason

Staff: GCL: Fordham, Scott

CMP: King, Pruitt

Issue 1: Should the Commission acknowledge the parties' Stipulation for Dismissal With Prejudice?

Recommendation: Yes. The Commission should acknowledge the stipulated voluntary dismissal of the Complaint. In addition, the Commission should find that the voluntary dismissal renders any and all outstanding motions moot, and that any confidential documents filed in this matter be returned to the submitting party.

Issue 2: Should this docket be closed?

Recommendation: Yes. With the withdrawal of the Complaint, there are no further matters for this Commission to adjudicate in this Docket and, therefore, it should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Deason, Carter, Tew