

MINUTES OF May 22, 2012
COMMISSION CONFERENCE
COMMENCED: 9:32 am
ADJOURNED: 9:52 am

COMMISSIONERS PARTICIPATING: Chairman Brisé
Commissioner Edgar
Commissioner Graham
Commissioner Balbis
Commissioner Brown

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

1** **Consent Agenda**

PAA A) Cancellation of certificates to provide telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>EFFECTIVE DATE</u>
120062-TX	LecStar Telecom, Inc.	12/31/2011
	Fonix Telecom, Inc.	12/31/2011
120063-TP	Brydels Communications, LLC	12/31/2011

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

DECISION: The recommendation was approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

2**

Docket No. 120125-PU – Proposed amendments to Rules 25-6.097, 25-7.083, and 25-30.311, F.A.C., on customer deposits.

Rule Status: Proposal May Be Deferred

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: GCL: Miller

ECR: Cicchetti, McNulty

Issue 1: Should the Commission propose the amendment of Rules 25-6.097, Customer Deposits, 25-7.083, Customer Deposits, and 25-30311, Customer Deposits?

Recommendation: Yes, the Commission should propose the amendment of these rules as set forth in Attachment A of staff's memorandum dated May 10, 2012.

DECISION: The recommendation was approved as modified with the following language to be inserted on attachment A, page 7, line 20; page 10, line 19; and page 13, line 5: Such interest rates shall be applied within 45 days of the effective date of the rule. Staff was given administrative authority to approve tariffs, in administering the rule changes, as discussed at the Commission Conference.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or comments are filed, the rules should be filed with the Department of State, and the docket should be closed.

DECISION: The recommendation was approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

3**

Docket No. 110056-TP – Complaint against Verizon Florida, LLC and MCI Communications Services, Inc. d/b/a Verizon Business Services for failure to pay intrastate access charges for the origination and termination of intrastate interexchange telecommunications service, by Bright House Networks Information Services (Florida), LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Balbis

Staff: GCL: Harris

RAD: Bloom, Hawkins

Issue 1: Should the Commission acknowledge Bright House’s May 1, 2012, Notice of Voluntary Dismissal?

Recommendation: Yes, the Commission should acknowledge Bright House’s May 1, 2012, Notice of Voluntary Dismissal with prejudice.

Issue 2: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved, there is nothing further for the Commission to consider in this docket. Therefore, staff recommends that Docket No. 110056-TP be closed.

DECISION: The recommendations were approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

4

Docket No. 110305-EI – Initiation of formal proceedings of Complaint No. 1006767E of Edward McDonald against Tampa Electric Company, for alleged improper billing.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Balbis

Staff: GCL: Robinson

ECR: Draper

SRC: Forsman, Hicks

(Oral Argument Not Requested; Participation is at the Commission's Discretion.)

Issue 1: Should the Commission grant TECO's Motion to Dismiss?

Recommendation: Yes. The Commission should grant TECO's Motion to Dismiss, and the petition should be dismissed without prejudice for failure to state a cause of action.

Issue 2: Should the docket be closed?

Recommendation: No. If the Commission agrees with staff regarding Issue 1, then Mr. McDonald's petition requesting the initiation of formal proceedings for Proposed Agency Action Order No. PSC-12-0053-PAA-EI should be dismissed, and Mr. McDonald should file an amended petition by 5:00 PM on June 12, 2012. If Mr. McDonald fails to timely file an amended petition, then the docket should be closed, and a Consummating Order should be issued reviving Order No. PSC-12-0053-PAA-EI, making it final and effective.

DECISION: The recommendations were approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

5**

Docket No. 120079-EQ – Petition for approval of facility charges to interconnection customer-owned renewable generation of Tropicana Manufacturing Company, by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: RAD: Clemence, Ellis

GCL: Harris

Issue 1: Should FPL be granted approval to recover from the Tropicana Manufacturing Company the proposed facility charges to interconnect customer-owned renewable generation?

Recommendation: Yes. Staff recommends that the Commission approve the recovery of costs proposed in the petition by FPL for the interconnection charges to interconnect the renewable generation facilities from the Tropicana Manufacturing Company.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected files a protest to the Commission's Proposed Agency Action Order within 21 days, the docket may be closed upon issuance of a Consummating Order.

DECISION: The recommendations were approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

6**PAA

Docket No. 120038-EI – Petition to modify vegetation management plan by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brown

Staff: ECR: L'Amoreaux, Dowds
GCL: Lawson

Issue 1: Should the Commission approve Tampa Electric Company's petition to modify its vegetation management plan?

Recommendation: Yes. The Commission should approve TECO's proposed revision to its vegetation management plan.

Issue 2: 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: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

7**PAA

Docket No. 120059-EI – Petition for depreciation class and rate for automobiles, by Gulf Power Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Ollila

GCL: Klancke

Issue 1: Should a new depreciation classification and rate for automobiles be approved for Gulf?

Recommendation: Yes. A new depreciation classification, Account 392-4110 - Automobiles, and a whole life depreciation rate of 12.1 percent should be approved for automobiles.

Issue 2: What should be the implementation date for the depreciation classification and rate?

Recommendation: The depreciation classification and rate should be implemented effective with the in-service date of the vehicles.

Issue 3: 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: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

8**

Docket No. 120073-EI – Petition for approval of revised tariffs for underground residential distribution and contribution-in-aid-of-construction, by Tampa Electric Company.

Critical Date(s): 06/01/12 (60-Day Suspension Date)
11/30/12 (8-Month Effective Date)

Commissioners Assigned: All Commissioners
Prehearing Officer: Administrative

Staff: ECR: Draper, Kummer
GCL: Barrera

Issue 1: Should the proposed tariffs be suspended?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's final decision on the proposed tariff revision.

DECISION: The recommendations were approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

9**

Docket No. 120075-EI – Request by Gulf Power Company to modify its underground residential differential tariffs.

Critical Date(s): 06/01/12 (60 Day Suspension Date)
11/30/12 (8-Month Effective Date)

Commissioners Assigned: All Commissioners
Prehearing Officer: Administrative

Staff: ECR: Draper, Kummer
GCL: Jaeger

Issue 1: Should the proposed tariffs be suspended?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's final decision on the proposed tariff revision.

DECISION: The recommendations were approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown

ITEM NO.

CASE

10**

Docket No. 120037-WS – Application for increase in water and wastewater rates in Lake County by Utilities, Inc. of Pennbrooke.

Critical Date(s): 05/29/12 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Brown

Staff: ECR: M. Brown, Fletcher, Maurey
GCL: Jaeger

Issue 1: Should the Utility’s proposed final water and wastewater rates be suspended?

Recommendation: Yes. Pennbrooke’s proposed final water and wastewater rates should be suspended.

Issue 2: Should any interim revenue increases be approved?

Recommendation: No. Pennbrooke should be allowed to continue collecting water revenues designed to produce test year revenue of \$491,577. However, because it appears that Pennbrooke is earning above its maximum rate of return, \$75,385 (or 15.34 percent) of this water revenue should be collected subject to refund with interest. As discussed in analysis portion of staff’s memorandum dated May 16, 2012, the wastewater system is earning within its last authorized ROE range, and thus no interim increase or decrease is warranted.

Issue 3: What are the appropriate interim water and wastewater rates?

Recommendation: In accordance with Section 367.082(2)(b), F.S., the Utility’s existing rates are appropriate for interim purposes.

Issue 4: What is the appropriate security to guarantee the interim decrease?

Recommendation: A cumulative corporate undertaking of \$357,423 is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc. (UI or Company) and written confirmation that the cumulative outstanding guarantees on behalf of UI-owned utilities in other states will not exceed \$1.2 million (inclusive of all Florida utilities). UI should be required to file a corporate undertaking on behalf of its subsidiaries to guarantee any potential refunds of revenues collected under interim conditions. UI’s total guarantee should be a cumulative amount of \$357,423, which includes an amount of \$43,990 subject to refund in this docket. Pursuant to Rule 25-30.360(6), F.A.C., the Utility should provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund should be with interest and in accordance with Rule 25-30.360, F.A.C.

ITEM NO.

CASE

10**

Docket No. 120037-WS – Application for increase in water and wastewater rates in Lake County by Utilities, Inc. of Pennbrooke.

(Continued from previous page)

Issue 5: Should the docket be closed?

Recommendation: No. The docket should remain open pending the Commission's PAA decision on the Utility's requested rate increase.

DECISION: The recommendations were approved.

Commissioners participating: Brisé, Edgar, Graham, Balbis, Brown