

**MINUTES OF November 30, 2010**  
**COMMISSION CONFERENCE**  
**COMMENCED: 9:31 am**  
**ADJOURNED: 10:50 am**

**COMMISSIONERS PARTICIPATING:** Chairman Graham  
Commissioner Edgar  
Commissioner Skop  
Commissioner Brisé  
Commissioner Balbis

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

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1                    **Approval of Minutes**  
                         October 12, 2010 Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Graham, Edgar, Skop, Brisé

**ITEM NO.**

**CASE**

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2\*\*

**Consent Agenda**

PAA

A) Application for Certificate to Provide Competitive Local Exchange Telecommunications Service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
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100411-TX	Access2go, Inc.
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B) Docket No. 100417-EI – Application for authority to issue and sell securities during twelve months ending December 31, 2011, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida Power Corporation d/b/a Progress Energy Florida, Inc.

Application of Progress Energy Florida, Inc. (Company) for authority to issue, sell or otherwise incur during 2011 up to \$1.0 billion of any combination of equity securities, long-term debt securities and other long-term obligations. Additionally, the Company requests authority to issue, sell, or otherwise incur during 2011 and 2012 up to \$1.0 billion outstanding at any time of short-term debt securities and other obligations.

In connection with this application, PEF confirms that the capital raised pursuant to this application will be used in connection with the activities of PEF and PEF's regulated subsidiaries and not the unregulated activities of its unregulated subsidiaries or affiliates.

ITEM NO.

CASE

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2\*\*

Consent Agenda

(Continued from previous page)

- C) Docket No. 100418-EI – Application for authority to receive common equity contributions and to issue and sell securities during 12 months ending December 31, 2011, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Gulf Power Company.

Application by Gulf Power Company (Company) for authority to receive equity funds from and/or to 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 2011. The amount of common equity contributions received from and issued to Southern, the amount of other equity securities issued, and the maximum principal amount of long-term debt securities issued will total not more than \$700 million. The maximum principal amount of short-term debt at any one time will total not more than \$300 million.

In connection with this application, Gulf confirms that the capital raised pursuant to this application will be used in connection with the regulated electric operations of Gulf and not the unregulated activities of the utility or its affiliates.

**Recommendation:** The Commission should approve the action requested in Docket No. 100411-TX and close the docket. For monitoring purposes, Docket Nos. 100417-EI and 100418-EI should remain open until April 27, 2012, to allow the Companies time to file the required Consummation Reports.

**DECISION:** The recommendation was approved.

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

**ITEM NO.**

**CASE**

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3

**Docket No. 090505-EI** – Review of replacement fuel costs associated with the February 26, 2008 outage on Florida Power & Light Company's electrical system. (Deferred from the November 9, 2010 Commission Conference.)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Skop

**Staff:** GCL: Bennett

ECR: Lee, Roberts

RAD: Graves, Matthews

**(Oral Argument Not Requested. Participation at the Discretion of the Commission. Pursuant to Section 350.01, F.S., only Commissioners who voted on the final order may vote on reconsideration.)**

**Issue 1:** Should the Commission reconsider its decision to credit FPL with 27 hours of time associated with the repair of the rod position indication system at Turkey Point Unit 3?

**Recommendation:** No. The Commission considered and evaluated all the record evidence in reaching its conclusion that the incremental time associated with the repair of the rod position indication system was 27 hours and not 126 hours. Because the Commission did not overlook or fail to consider the evidence in the record, FPL's motion for reconsideration should be denied.

**Issue 2:** Should the Commission reconsider its decision to require Florida Power & Light Company to refund the full 107 hours of outage at Turkey Point Unit 4, without giving credit for the time required to replace and test a malfunctioning relay in at the reverse power protection system?

**Recommendation:** No. The Commission did not overlook or fail to consider Order No. 23232, issued July 20, 1990, in Docket No. 090001-EI (Order No. 23232), in requiring a refund for the full outage time at Turkey Point Unit 4. The repair for the relay was not a planned outage. In Order No. 23232, a portion of the outage coincided with a planned outage.

**Issue 3:** Should the Commission make any corrections to the refund amount established in Order No. PSC-10-0381-FOF-EI?

**Recommendation:** No. The Commission did not overlook or fail to consider the factual and legal issues raised by FPL in reaching the Commission's decision to require a refund of \$13,854,054 to ratepayers as a result of the February 26, 2008 outage.

**ITEM NO.**

**CASE**

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3

**Docket No. 090505-EI** – Review of replacement fuel costs associated with the February 26, 2008 outage on Florida Power & Light Company's electrical system. (Deferred from the November 9, 2010 Commission Conference.)

(Continued from previous page)

**Issue 4:** Should this docket be closed?

**Recommendation:** Yes. Upon expiration of the time for appeal, if no appeal has been taken, this docket should be closed.

**DECISION:** This item was deferred to the December 14, 2010, Commission Conference.

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

**ITEM NO.**

**CASE**

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4\*\*

**Docket No. 040763-TP** – Request for submission of proposals for relay service, beginning in June 2005, for the hearing and speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Edgar

**Staff:** RAD: Casey

GCL: Miller

SSC: Moses

**Issue 1:** Should the Commission approve the appointment of Mr. Chris Littlewood as a TASA advisory committee member effective immediately?

**Recommendation:** Yes, the Commission should approve the appointment of Mr. Chris Littlewood as a TASA advisory committee member effective immediately.

**Issue 2:** Should this docket be closed?

**Recommendation:** No, this docket should not be closed.

**DECISION:** The recommendations were approved.

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

**ITEM NO.**

**CASE**

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5\*\*PAA

**Docket No. 100055-TI** – Acknowledgment of registration as intrastate interexchange telecommunications company by Gaucho Sat. U.S.A Inc.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** RAD: Earnhart

GCL: McKay

**Issue 1:** Should the Commission, on its own motion, remove Gaucho Sat. U.S.A Inc.'s name from the IXC register, and cancel its price schedule and Registration No. TK284?

**Recommendation:** Yes, the Commission, on its own motion, should remove Gaucho Sat. U.S.A Inc.'s name from the IXC register, and cancel its price schedule and Registration No. TK284.

**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, F.A.C., within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), F.S., 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, F.S., hearing, the facts should be deemed admitted and the right to a hearing waived. If the company's IXC Registration No. TK284 and price schedule 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 services in Florida. If there is no protest, this docket should be closed upon issuance of the Consummating Order.

**DECISION:** The recommendations were approved as amended to include the language presented at the Commission Conference in the order.

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

**ITEM NO.**

**CASE**

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6\*\*PAA

**Docket No. 100159-EG** – Petition for approval of demand-side management plan of Tampa Electric Company.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** RAD: Ellis, Brown, Clemence, Garl, Lewis

GCL: Fleming, Saylor

**Issue 1:** Does TECO's revised Demand-Side Management Plan satisfy the Company's numeric conservation goals set by the Commission in Order No. PSC-09-0855-FOF-EG?

**Recommendation:** Yes. TECO's revised DSM Plan meets or exceeds the numeric conservation goals set by the Commission, is cost-effective, and the rate impact associated with the revised DSM Plan is relatively small compared to the increase in demand and energy savings projected.

The Commission should approve the programs contained in TECO's revised Demand-Side Management Plan to allow TECO to file for cost recovery. However, TECO must still demonstrate, during the Energy Conservation Cost Recovery (ECCR) clause proceeding, that expenditures in executing its DSM Plan are reasonable and prudent. TECO should be required to file program standards for administrative approval within 30 days of the Consummating Order in this docket.

**Issue 2:** Should this docket be closed?

**Recommendation:** Yes. If no person whose substantial interests are affected by the proposed agency action issue files a protest within 21 days of the issuance of the Order, a Consummating Order will be issued. If the Commission approves any programs, the programs should become effective on the date of the Consummating Order. If a protest is filed within 21 days of the issuance of the Order, the programs should not be implemented until after the resolution of the protest. However, the docket should remain open for staff's verification that the program standards have been filed by the Utility and approved by staff. When the PAA issues are final and the program standards have been approved, this docket may be closed administratively.

**DECISION:** The recommendations were approved.

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



**ITEM NO.**

**CASE**

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7\*\*PAA

**Docket No. 100155-EG** – Petition for approval of demand-side management plan of Florida Power & Light Company. (Deferred from the November 9, 2010, Commission Conference.)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** RAD: Garl, Brown, Harlow, Lewis

GCL: Fleming, Saylor

**Issue 1:** Does FPL's proposed 2010 Demand-Side Management (DSM) Plan satisfy the Company's numeric conservation goals set by the Commission in Order No. PSC-09-0855-FOF-EG?

**Recommendation:** No. FPL's proposed DSM Plan fails to meet its residential goals in at least one category for eight years. Similarly, the Company's Plan does not meet all the annual commercial/industrial goals for eight years of the ten-year period. FPL's failure to meet its annual conservation goals may result in financial penalties or other appropriate action.

Consistent with Section 366.82(7), F.S., staff recommends that FPL file specific program modifications or additions that are needed for the 2010 DSM Plan to be in compliance with Order No. PSC-09-0855-FOF-EG within 30 days of the Commission's Order in this docket. The compliance filing should not include savings associated with FPL's solar pilot programs.

**Issue 2:** Are the programs contained in FPL's proposed 2010 DSM Plan cost-effective as this criterion is used in Commission Order No. PSC-09-0855-FOF-EG?

**Recommendation:** Yes. All programs in FPL's proposed 2010 DSM Plan pass the E-TRC and Participants tests. Audits, Pilot Programs, and Research & Development Programs are not included in this evaluation because they are not required to pass cost-effectiveness testing. FPL should be required to file program standards within 30 days of the Commission's Order in this docket.

The Commission should approve cost-effective programs to allow FPL to file for cost recovery. However, FPL must still demonstrate, during the cost recovery proceeding, that expenditures in executing its DSM Plan were reasonable and prudent. In addition, the Commission will evaluate FPL's compliance filing and make a final determination at that time regarding the cost-effectiveness of any modified or new programs.

**ITEM NO.**

**CASE**

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7\*\*PAA

**Docket No. 100155-EG** – Petition for approval of demand-side management plan of Florida Power & Light Company. (Deferred from the November 9, 2010 Commission Conference.)

(Continued from previous page)

**Issue 3:** Does FPL’s proposed 2010 DSM Plan include pilot programs that encourage the development of solar water heating and solar PV technologies consistent with Commission Order No. PSC-09-0855-FOF-EG?

**Recommendation:** Yes. The cost of the proposed pilot programs is within the annual expenditure cap of \$15,536,870 specified by Commission Order No. PSC-09-0855-FOF-EG. However, the allocation of funds to: (1) solar thermal vs. solar PV, (2) private customers vs. public institutions, and (3) low-income residential varies widely among the investor-owned utilities. If the Commission desires to have more uniformity among the IOUs’ programs, then the Commission should initiate public workshops to explore that issue further.

**Issue 4:** Do any of the programs in FPL’s proposed Demand-Side Management Plan have an undue impact on the costs passed on to customers?

**Recommendation:** No. The proposed program costs are not undue because the increase in program costs correlates with the increase in goals. The Commission should evaluate the Company’s compliance filing and make a final determination in the ECCR proceedings regarding the appropriateness of incentive levels.

**Issue 5:** Should this docket be closed?

**Recommendation:** No. This docket should remain open for FPL to refile its demand-side management plan within 30 days from the date of this Order. In addition, if the Commission approves any programs, the programs should become effective on the date of the Consummating Order. If a protest is filed within 21 days of the issuance of the Order, the programs should not be implemented until after the resolution of the protest.

DECISION: This item was deferred to the December 14, 2010, Commission Conference.

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

**ITEM NO.**

**CASE**

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8

**Docket No. 10001-EI** – Fuel and purchased power cost recovery clause with generating performance incentive factor. (Post-Hearing Recommendation-PEF)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Skop

**Staff:** GCL: Sayler, Bennett

ECR: Barrett, Lester

**(Participation is limited to Commissioners and Staff.)**

**Issue 1:** Should Progress Energy Florida, Inc., be permitted to collect through the fuel clause, amounts related to replacement power due to the extended outage at Crystal River Unit 3 prior to the Commission's determination of the prudence of such costs in a separate docket?

**Recommendation:** Yes, PEF should be permitted to collect, subject to refund, replacement power costs due to the extended outage at CR3 prior to the Commission's determination of the prudence of such costs in a separate docket. These costs should be incorporated into the calculation of the 2011 fuel factor. The prudence of such costs will be analyzed in Docket No. 100437-EI.

**Issue 2:** Should this docket be closed?

**Recommendation:** No. The Fuel and Purchased Power Cost Recovery Clause docket is an on-going docket and should remain open.

**DECISION:** The recommendations were approved.

Commissioners participating: Graham, Edgar, Skop, Brisé. Commissioner Balbis did not participate in the vote on this issue since it is a post-hearing decision.

**ITEM NO.**

**CASE**

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9\*\*

**Docket No. 100001-EI** – Fuel and purchased power cost recovery clause with generating performance incentive factor. (PEF Mid-Course Correction Recommendation)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Skop

**Staff:** ECR: Franklin, Matlock, Draper, A. Roberts

GCL: Bennett, Saylor

**Issue 1:** Should the Commission approve the fuel factors in PEF's petition for mid-course correction to its 2011 fuel and purchased power cost recovery factors?

**Recommendation:** No. Staff recommends the Commission not approve the fuel factors in PEF's petition for mid-course correction, but instead keep in place the 2011 fuel factors approved on November 2, 2010. Staff notes the Commission will make a separate decision regarding the recovery of CR3 replacement power costs. The Commission's November vote included factors to be applied if the CR3 replacement power costs are either included or excluded. If the Commission decides to approve a partial recovery of CR3 replacement power costs in 2011, the appropriate fuel factors are displayed in Attachment A of staff's memorandum dated November 19, 2010.

**Issue 2:** Should this docket be closed?

**Recommendation:** No. The Fuel and Purchased Power Cost Recovery Clause docket is an on-going docket and should remain open.

**DECISION:** The recommendations were approved. Noting that adoption of the Commission is based on the prior decision in Item 8, would reflect including the CR3 replacement costs as articulated on Attachment A on page 7 (of staff's recommendation), the first table, which would reflect the correct factors.

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

**ITEM NO.**

**CASE**

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10\*\*

**Docket No. 100405-EI** – Application for authority to issue and sell securities during calendar year 2011 pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida Power & Light Company.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECR: Davis, Cicchetti, Maurey, Springer

GCL: Fleming

**Issue 1:** Should the Commission approve FPL's request for authority to issue and sell and/or exchange any combination of the long-term debt and equity securities and/or assume liabilities or obligations as guarantor, endorser or surety in an aggregate amount not to exceed \$6.1 billion during calendar year 2011 and have outstanding the aggregate principal amount not to exceed \$4.0 billion of short-term securities during calendar years 2011 and 2012?

**Recommendation:** Yes. Staff notes that FPL has agreed to certain revisions to its original security application.

**Issue 2:** Should this docket be closed?

**Recommendation:** No.

**DECISION:** This item was deferred to the December 14, 2010, Commission Conference.

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

**ITEM NO.**

**CASE**

11\*\*PAA

**Docket No. 100419-EI** – Petition for approval of base rate increase for extended power uprate systems placed in commercial service, pursuant to Section 366.93(4), F.S., and Rules 25-6.0423(7) and 28-106.201, F.A.C., by Florida Power & Light Company.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Skop

**Staff:** ECR: Slemkewicz, Breman, Cicchetti, Draper, Laux, Springer

GCL: Young

**Issue 1:** Should FPL's request to increase its base rates by \$1,952,620 for the 2010 EPU project modifications at the St. Lucie and Turkey Point units be approved?

**Recommendation:** Yes. FPL's request to increase its base rates by \$1,952,620 for the 2010 EPU project modifications at the St. Lucie and Turkey Point units should be approved. This approval should be subject to true-up and revision based on the final review of the 2010 modification expenditures in Docket No. 100009-EI, Nuclear Cost Recovery Clause.

**Issue 2:** Should FPL's request to increase its base rates by \$198,307 for the 5-year amortization of the EPU assets that are being retired during 2010 be approved?

**Recommendation:** Yes. FPL's request to increase its base rates by \$198,307 for the 5-year amortization of the EPU assets that are being retired during 2010 should be approved.

**Issue 3:** Should FPL's request to increase its base rates by \$48,335 for a true-up of the 2010 base rate revenue requirement for the PSL2 turbine gantry crane be approved?

**Recommendation:** Yes. FPL's request to increase its base rates by \$48,335 for a true-up of the 2010 base rate revenue requirement for the PSL2 turbine gantry crane should be approved.

**Issue 4:** What is the appropriate effective date of FPL's revised base rates?

**Recommendation:** If the Commission approves the staff recommendation in Issues 1, 2, and 3, the revised base rates should be implemented with the first billing cycle for 2011, which falls on January 3, 2011. Furthermore, FPL should file revised tariff sheets to implement the Commission vote in Issues 1, 2, and 3 for administrative approval by staff prior to their effective date.

**Issue 5:** Should this docket be closed?

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

**DECISION:** This item was deferred to the December 14, 2010, Commission Conference.

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

**ITEM NO.**

**CASE**

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12

**Docket No. 100009-EI** – Nuclear cost recovery clause. (Deferred from the October 26, 2010, Commission Conference, revised recommendation filed.)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Skop

**Staff:** ECR: Breman, Hinton, Laux, Maurey

GCL: Young, Bennett, Leveille, Williams

**(Post-Hearing Decision - Participation is Limited to Commissioners and Staff.)**

**Issue 3A:** Does the Commission have the authority to require a “risk sharing” mechanism that would provide an incentive for a utility to complete a project within an appropriate, established cost threshold? If so, what action, if any, should the Commission take?

**Recommendation:** No. Section 366.93, F.S., expressly provides that a utility is entitled to recover all prudently incurred costs resulting from the construction of nuclear power plants. The statute does not set a dollar limit on the amount a utility can recover through the NCRC. Requiring a risk sharing mechanism exceeds the scope of the plain and expressed language and intent of the statute.

**DECISION:** This item was deferred to the December 14, 2010, Commission Conference.

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

**ITEM NO.**

**CASE**

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13\*\*PAA

**Docket No. 100266-EI** – Review of 2010 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company. (Deferred from the October 26, 2010, Commission Conference, revised recommendation filed.)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Brisé

**Staff:** ECR: L'Amoreaux, Dowds

GCL: Bennett

**Issue 1:** Should the Commission approve Florida Power & Light Company's (FPL) updated 2010-2012 storm hardening plan?

**Recommendation:** Yes, the Commission should approve FPL's updated storm hardening 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:** This item was deferred to the December 14, 2010, Commission Conference.

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



**ITEM NO.**

**CASE**

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14\*\*PAA

**Docket No. 100404-EI** – Petition by Florida Power & Light Company to recover Scherer Unit 4 Turbine Upgrade costs through environmental cost recovery clause or fuel cost recovery clause. (Deferred from the November 9, 2010, Commission Conference.)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Brisé

**Staff:** ECR: Wu, Franklin

GCL: Brown, Bennett, Sayler

**Issue 1:** Is FPL's Scherer Unit 4 steam turbine upgrade project eligible for cost recovery through the ECRC?

**Recommendation:** No. The project does not meet established criteria for cost recovery through the ECRC.

**Issue 2:** Is FPL's Scherer Unit 4 steam turbine upgrade project eligible for cost recovery through the Fuel Clause?

**Recommendation:** No. The project does not meet established criteria for recovery through the Fuel Clause.

**Issue 3:** Should this docket be closed?

**Recommendation:** Yes. If no person whose interests are substantially affected files a timely protest of the Commission's Proposed Agency Action, this docket may be closed upon issuance of a Consummating Order.

**DECISION:** This item was deferred to the December 14, 2010, Commission Conference.

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

**ITEM NO.**

**CASE**

15

**Docket No. 100127-WS** – Application for increase in water and wastewater rates in Marion County by Tradewinds Utilities, Inc.

**Critical Date(s):** 11/30/10 (60-Day Suspension Date - As Extended by the Utility)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Graham

**Staff:** ECR: Fletcher, Cicchetti, Daniel, Davis, Maurey, Rieger  
 GCL: Jaeger

**(Decision on Interim Rates. Participation is at the Discretion of the Commission.)**

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

**Recommendation:** Yes. Tradewinds' proposed final water and wastewater rates should be suspended.

**Issue 2:** Should an interim revenue increase be approved?

**Recommendation:** Yes. Tradewinds should be authorized to collect annual water and wastewater revenues as indicated below:

	<u>Adjusted Test Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue Requirement</u>	<u>% Increase</u>
Water	\$123,343	\$75,669	\$199,011	61.35%
Wastewater	\$208,879	\$20,716	\$229,595	9.92%

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

**Recommendation:** The water and wastewater service rates for Tradewinds in effect as of December 31, 2009, should be increased for water by 62.93 percent and for wastewater by 9.92 percent to generate the recommended revenue increase for the interim period. The approved rates should be effective for service rendered as of the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1)(a), F.A.C. The rates should not be implemented until staff verifies that the tariff sheets are consistent with the Commission decision, the proposed customer notice is adequate, and the required security has been filed. The Utility should provide proof of the date notice was given within 10 days after the date of notice.

**ITEM NO.**

**CASE**

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15

**Docket No. 100127-WS** – Application for increase in water and wastewater rates in Marion County by Tradewinds Utilities, Inc.

(Continued from previous page)

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

**Recommendation:** The Utility should be required to open an escrow account or file a surety bond or letter of credit to guarantee any potential refund of revenues collected under interim conditions. If the security provided is an escrow account, the Utility shall deposit 38.02 percent of water revenues and 9.03 ~~9.92~~ percent of wastewater ~~water~~ revenues into the escrow account each month. Otherwise, the surety bond or letter of credit should be in the amount of \$56,265. 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.

**Issue 5:** Should this 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 with noted modification to Issue 4.

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

**ITEM NO.**

**CASE**

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16\*\*

**Docket No. 100402-SU** – Application for transfer of wastewater facilities in Seminole County from Alafaya Utilities, Inc., to City of Oviedo and cancellation of Certificate No. 379-S.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECR: Jones-Alexis, Gardner, Hillier

GCL: Jaeger

**Issue 1:** Should the transfer of Alafaya’s wastewater facilities and territory to the City be acknowledged as a matter of right and Certificate No. 379-S be cancelled?

**Recommendation:** Yes. The transfer of Alafaya’s wastewater facilities and territory to the City should be acknowledged as a matter of right, pursuant to Section 367.071(4)(a), F.S., and Certificate No. 379-S should be cancelled effective September 14, 2010.

**Issue 2:** Should this docket be closed?

**Recommendation:** Yes. If the Commission approves staff’s recommendation in Issue 1, the docket should be closed, as no further action is required.

**DECISION:** The recommendations were approved.

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

**ITEM NO.**

**CASE**

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17\*\*

**Docket No. 100381-WS** – Request for approval of tariff amendment to include a late payment fee of \$5.25 and establish miscellaneous service charges associated with connection, reconnection, and premises visits for its wastewater operation in Orange County by Pluris Wedgefield, Inc.

**Critical Date(s):** 06/24/10 11-ac (8-Month Effective Date)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECR: Bruce, Stallcup

GCL: Klancke

**Issue 1:** Should the Commission approve Pluris Wedgefield, Inc.’s proposed tariffs to establish miscellaneous service charges associated with connection, reconnections, and premises visits for its wastewater operation?

**Recommendation:** Yes. The Commission should approve the Utility's proposed tariffs to establish a late payment fee for its water and wastewater operations and miscellaneous service charges associated with connection, reconnections, and premises visits for its wastewater operation. Within five working days of the issuance of the order, staff recommends that the Utility provide a proposed customer notice of the approved charges for staff’s review and approval. Once staff has approved the proposed customer notice, the Utility may choose to either mail the notice separately to customers or insert it with the next billing cycle. Within five days after the notice is given, the Utility should be required to file an affidavit affirming that the notice has been given to customers of the approved charges. The tariff sheets containing the approved miscellaneous service charges should become effective for services rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475, Florida Administrative Code (F.A.C.).

**Issue 2:** Should Pluris Wedgefield's request to implement a \$5.25 late payment charge be approved?

**Recommendation:** Yes. Pluris Wedgefield’s request to implement a \$5.25 late payment charge should be approved. The late payment charge should be effective for services rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, F.A.C.

**ITEM NO.**

**CASE**

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17\*\*

**Docket No. 100381-WS** – Request for approval of tariff amendment to include a late payment fee of \$5.25 and establish miscellaneous service charges associated with connection, reconnection, and premises visits for its wastewater operation in Orange County by Pluris Wedgefield, Inc.

(Continued from previous page)

**Issue 3:** Should this docket be closed?

**Recommendation:** Yes. If the issues are approved, 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. The revised tariff sheets should become effective on or after the stamped approval date on the revised tariff sheets, pursuant to Rule 25-30.475, F.A.C. If a protest is filed within 21 days of the issuance date of the Order, the tariff should remain in the effect with all increased charges held subject to refund pending resolution of the protest, and the docket should remain open. If no timely protest is filed, a consummating order should be issued and, once staff verifies that the notice of the change in miscellaneous service charges and late payment fee has been given to customer, the docket should be administratively closed.

**DECISION:** The recommendations were approved.

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

**ITEM NO.**

**CASE**

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18\*\*

**Docket No. 100413-SU** – Request for approval of tariff amendment to include a late fee of \$14.00 in Polk County by West Lakeland Wastewater.

**Critical Date(s):** 12/01/10 (60-Day Suspension Date)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECR: Bruce, Stallcup

GCL: Williams

**Issue 1:** Should the Commission suspend West Lakeland Wastewater Inc.'s proposed tariff to establish a late payment fee for its wastewater operation?

**Recommendation:** Yes. West Lakeland's proposed tariff sheet to establish a late payment fee should be suspended to allow staff sufficient time to review the Utility's cost justification.

**Issue 2:** Should this docket be closed?

**Recommendation:** No. The docket should remain open pending the Commission's final action on the Utility's requested approval to establish a late payment fee of \$14.00.

**DECISION:** The recommendations were approved.

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

**ITEM NO.**

**CASE**

19

**Docket No. 100126-WU** – Application for increase in water rates in Marion County by C.F.A.T. H20, Inc.

**Critical Date(s):** 11/30/10 (60-Day Suspension Date - As Extended by the Utility)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Brisé

**Staff:** ECR: Fletcher, Buys, Cicchetti, Donoho, Maurey, Slemkewicz  
 GCL: Young

**(Decision on Interim Rates - Participation is at the Discretion of the Commission.)**

**Issue 1:** Should the Utility's proposed final water rates be suspended?

**Recommendation:** Yes. CFAT's proposed final water rates should be suspended.

**Issue 2:** Should an interim revenue increase be approved?

**Recommendation:** Yes, CFAT should be authorized to collect annual water revenues as indicated below:

	<u>Adjusted Test Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue Requirement</u>	<u>% Increase</u>
Water	\$44,090	\$42,792	\$86,882	97.06%

**Issue 3:** What are the appropriate interim water rates?

**Recommendation:** The water service rates for CFAT in effect as of December 31, 2009, should be increased by 97.06 percent, to generate the recommended revenue increase for the interim period. The approved rates should be effective for service rendered as of the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1)(a), F.A.C. The rates should not be implemented until staff verifies that the tariff sheets are consistent with the Commission's decision, the proposed customer notice is adequate, and the required security has been filed. The Utility should provide proof of the date notice was given within 10 days after the date of notice.

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

**Recommendation:** The Utility should be required to open an escrow account or file a surety bond or letter of credit to guarantee any potential refund of revenues collected under interim conditions. If the security provided is an escrow account, the Utility shall deposit ~~49.25~~ ~~97.06~~ percent of water revenues into the escrow account each month. Otherwise, the surety bond or letter of credit should be in the amount of \$24,980. 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**

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19

**Docket No. 100126-WU** – Application for increase in water rates in Marion County by C.F.A.T. H20, Inc.

(Continued from previous page)

**Issue 5:** Should this 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 with noted modification to Issue 4.

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

**ITEM NO.**

**CASE**

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20\*\*

**Docket No. 080677-EI** – Petition for increase in rates by Florida Power & Light Company.

**Docket No. 090130-EI** – 2009 depreciation and dismantlement study by Florida Power & Light Company. (Deferred from the November 9, 2010, Commission Conference.)

**Critical Date(s):** None

**Commissioners Assigned:** Edgar, Skop

**Prehearing Officer:** Skop

**Staff:** ECR: Slemkewicz, Cicchetti, Draper, P. Lee, Lester

GCL: Kiser, Helton, Bennett

**Issue A:** Should the Commission grant the Joint Petition to Assign Settlement Agreement to the Full Commission for Decision?

**Recommendation:** Yes. Pursuant to Section 350.01(6), Florida Statutes (F.S.), the full Commission should consider whether to approve the Stipulation and Settlement Agreement. The full Commission should also consider whether to approve Mr. Saporito's base rate petition.

**Issue 1:** Should the Commission approve the proposed Stipulation and Settlement?

**Recommendation:** Yes, the Commission should approve the proposed Stipulation and Settlement.

**Issue 2:** Should the Commission grant Thomas Saporito's Petition for Base Rate Proceeding?

**Recommendation:** No. The Commission should not grant the Petition for Base Rate Proceeding. The petition does not meet the requirements of Rule 28-106.201, F.A.C., because it fails to allege any material issue of disputed facts.

**Issue 3:** Should these dockets be closed?

**Recommendation:** Yes. These dockets should be closed upon the expiration of the time for appeal.

**DECISION:** This item was deferred to the December 14, 2010, Commission Conference.

Commissioners participating: Edgar, Skop

**ITEM NO.**

**CASE**

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21\*\*PAA

**Docket No. 100410-EI** – Review of Florida Power & Light Company's earnings. (Deferred from the November 9, 2010, Commission Conference.)

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECR: Slemkewicz, Maurey, Cicchetti, Springer, Willis  
GCL: Bennett

**Issue 1:** Should the Commission initiate a review of Florida Power & Light Company's earnings?

**Recommendation:** Yes.

**Issue 2:** Should the Commission order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under bond or corporate undertaking?

**Recommendation:** Yes. The Commission should order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under a corporate undertaking.

**Issue 3:** Should this docket be closed?

**Recommendation:** No. This docket should remain open until staff has reviewed FPL's historical earnings data for the year ending March 31, 2011, and the Commission has determined the amount and appropriate disposition of overearnings.

**DECISION:** This item was deferred to the December 14, 2010, Commission Conference.

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