

MINUTES OF October 28, 2008
COMMISSION CONFERENCE
COMMENCED: 9:35 am
RECESSED: 10:03 am
RECONVENED: 10:06 am
ADJOURNED: 10:14 am

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

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

1** **Consent Agenda**

PAA A) Request for approval of transfer and name change on a competitive local exchange telecommunications certificate.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
080602-TX	InterLink Global, Corp.
	transfers to:
	NET TALK.COM, INC.

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

DECISION: The recommendation was approved.

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

ITEM NO.

CASE

2

Docket No. 080308-TP – Complaint against MCI Communications Services, Inc. d/b/a Verizon Business Services for failure to pay intrastate access charges pursuant to Embarq's tariffs, by Embarq Florida, Inc. (Deferred from the September 16, 2008 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: GCL: Mann, Murphy

RCP: Bloom, King

(Oral Argument Requested.)

Issue 1: Should the Commission grant Verizon's Request for Oral Argument?

Recommendation: Yes. Staff recommends that the Commission grant Verizon's Request for Oral Argument, because staff believes that it might benefit the Commission to hear argument on the Motion to Dismiss. If the Commission grants oral argument, staff recommends allowing five minutes for each party.

Issue 2: Should the Commission grant Verizon's Motion to Dismiss Embarq's Complaint?

Recommendation: No. Staff recommends that the Commission deny Verizon's Motion to Dismiss, because Embarq's Complaint states a cause of action that is within the Commission's jurisdiction and for which relief may be granted.

Issue 3: Should this Docket be closed?

Recommendation: No. If the Commission approves staff's recommendation in Issue 2, this Docket should be held open pending further proceedings.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

3

Docket No. 070699-TP – Petition by Intrado Communications, Inc. for arbitration of certain rates, terms, and conditions for interconnection and related arrangements with Embarq Florida, Inc., pursuant to Section 252(b) of the Communications Act of 1934, as amended, and Section 364.162, F.S.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: GCL: Tan

RCP: Barrett, King

ECR: Dowds

*This item was deferred to the November 13, 2008 Commission Conference before the recommendation was filed.

ITEM NO.

CASE

4

Docket No. 070736-TP – Petition by Intrado Communications, Inc. for arbitration of certain rates, terms, and conditions for interconnection and related arrangements with BellSouth Telecommunications, Inc. d/b/a AT&T Florida, pursuant to Section 252(b) of the Communications Act of 1934, as amended, and Sections 120.80(13), 120.57(1), 364.15, 364.16, 364.161, and 364.162, F.S., and Rule 28-106.201, F.A.C.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: GCL: Tan

RCP: Barrett, King

ECR: Dowds

*This item was deferred to the November 13, 2008 Commission Conference before the recommendation was filed.

ITEM NO.

CASE

5**

Docket No. 080449-TX – Compliance investigation of Grande Communications Networks, Inc. for apparent violation of Section 364.183(1), F.S., Access to Company Records.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: RCP: Watts

GCL: Tan

SGA: Hunter, Shafer

Issue 1: Should the Commission accept Grande Communications Networks, Inc.'s settlement offer to voluntarily contribute \$3,500 to the Commission for deposit in the General Revenue Fund within 30 days of the issuance of the Consummating Order to resolve its apparent violation of Section 364.183(1), Florida Statutes?

Recommendation: Yes. The Commission should accept the company's settlement proposal.

Issue 2: Should this docket be closed?

Recommendation: If GCN complies with its settlement offer, this docket should be closed administratively. If GCN fails to remit the voluntary contribution of \$3,500 to the Commission within 30 days of the issuance of the Consummating Order, Certificate No. 7514 should be canceled and this docket should be closed administratively. If GCN's certificate is canceled in accordance with the Commission's Order from this recommendation, GCN should be required to immediately cease and desist providing telecommunications services in Florida.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

6**PAA

Docket No. 080130-TC – Request for cancellation of PATS Certificate No. 7849 by Advantage Group of Florida Communications, L.L.C., effective March 3, 2008.

Docket No. 080207-TC – Request for cancellation of PATS Certificate No. 2358 by Telaleasing Enterprises, Inc., effective March 3, 2008.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: RCP: Isler

GCL: McKay

Issue 1: Should the Commission deny Advantage Group of Florida Communications, L.L.C. and Telaleasing Enterprises, Inc. a voluntary cancellation of their respective pay telephone service (PATS) Certificate Nos. 7849 and 2358 and cancel the certificates on the Commission's own motion with an effective date of March 3, 2008?

Recommendation: Yes, the companies should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated October 16, 2008.

ITEM NO.

CASE

6**PAA

Docket No. 080130-TC – Request for cancellation of PATS Certificate No. 7849 by Advantage Group of Florida Communications, L.L.C., effective March 3, 2008.

Docket No. 080207-TC – Request for cancellation of PATS Certificate No. 2358 by Telereleasing Enterprises, Inc., effective March 3, 2008.

(Continued from previous page)

Issue 2: Should these dockets 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 an entity fails to timely file a protest and to request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted and the right to a hearing waived. If an entity pays the Regulatory Assessment Fees, including applicable statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then the cancellation of that entity's PATS certificate will be voluntary. If an entity fails to pay the Regulatory Assessment Fees, including applicable statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then that entity's PATS certificate should be cancelled administratively, and the collection of the past due Regulatory Assessment Fees, including applicable statutory late payment charges, should be referred to the Florida Department of Financial Services for further collection efforts. If an entity's PATS certificate is cancelled in accordance with the Commission's Order from this recommendation, that entity should be required to immediately cease and desist providing telecommunications service in Florida. These dockets should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fees, including applicable statutory late payment charges, or upon cancellation of each entity's respective PATS certificate.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

7**PAA

Docket No. 080217-TI – Acknowledgment of cancellation of IXC Registration No. TI517 by Voiceware Systems Corporation, effective February 28, 2008.

Docket No. 080239-TI – Acknowledgment of cancellation of IXC Registration No. TJ791 by Burno, Inc. d/b/a Citywide-Tel, effective April 28, 2008.

Docket No. 080505-TI – Acknowledgment of cancellation of IXC Registration No. TJ613 by National Telephone Exchange, Inc., effective July 21, 2008.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: RCP: Isler

GCL: McKay

Issue 1: Should the Commission deny Voiceware Systems Corporation, Burno, Inc. d/b/a Citywide-Tel, and National Telephone Exchange, Inc., a voluntary cancellation of their respective intrastate interexchange telecommunications carrier (IXC) tariffs and Registration Nos. TI517, TJ791, and TJ613, and cancel the tariffs and remove each entity's respective name from the register on the Commission's own motion with an effective date as listed in the docket titles?

Recommendation: Yes, each entity should be denied a voluntary cancellation as listed on Attachment A of staff's memorandum dated October 16, 2008.

ITEM NO.

CASE

7**PAA

Docket No. 080217-TI – Acknowledgment of cancellation of IXC Registration No. TI517 by Voiceware Systems Corporation, effective February 28, 2008.

Docket No. 080239-TI – Acknowledgment of cancellation of IXC Registration No. TJ791 by Burno, Inc. d/b/a Citywide-Tel, effective April 28, 2008.

Docket No. 080505-TI – Acknowledgment of cancellation of IXC Registration No. TJ613 by National Telephone Exchange, Inc., effective July 21, 2008.

(Continued from previous page)

Issue 2: Should these dockets be closed?

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

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

8**

Docket No. 080561-GP – Petition for approval of natural gas transmission pipeline tariff by SeaCoast Gas Transmission, LLC.

Critical Date(s): 04/19/09 (8-Month Effective Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Draper

GCL: Brown

Issue 1: Should the Commission approve SeaCoast's proposed natural gas transmission pipeline tariff, Original Volume No. 1?

Recommendation: Yes, the proposed tariff should be approved, pursuant to Chapter 368, F.S. Upon the issuance of the consummating order in this docket, SeaCoast should pay regulatory assessment fees as required by Rule 25-7.101, Florida Administrative Code (F.A.C.). SeaCoast should also file Annual Reports as required by Rule 25-7.100, F.A.C. Within 60 days after executing a transportation service agreement, SeaCoast and the customer should file an affidavit with the Commission as required by Section 368.105(3), F.S. Upon request by the Commission, SeaCoast should make available its negotiated Transportation Service Agreements.

Issue 2: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved, this tariff should become effective on October 28, 2008. 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: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

9**

Docket No. 080603-EI – Petition for expedited Commission approval of base rate increase for costs associated with MUR phase of CR3 uprate project, pursuant to Section 366.93(4), F.S. and Rule 25-6.0423(7), F.A.C., by Progress Energy Florida, Inc.

Critical Date(s): 11/18/08 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Slemkewicz, Laux, Springer, Draper

GCL: Saylor

Issue 1: Should the Commission approve PEF's request to increase its base rates by \$1,297,979 for the MUR phase of the CR3 Uprate project?

Recommendation: Yes. PEF's request to increase its base rates by \$1,297,979 for the MUR phase of the CR3 Uprate project should be approved. This approval should be subject to true-up and revision based on the final review of the 2008 MUR phase expenditures in Docket No. 080009-EI, Nuclear Cost Recovery Clause.

Issue 2: Should the Commission approve PEF's proposed tariffs and associated charges?

Recommendation: Yes. If the Commission approves Issue 1, the proposed tariffs and associated charges should go into effect with the first billing cycle in January 2009.

Issue 3: Should this docket be closed?

Recommendation: Yes. 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: Carter, Edgar, McMurrian, Argenziano, Skop

ITEM NO.

CASE

10**

Docket No. 070627-WU – Application for staff-assisted rate case in Lake County by Raintree Utilities, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: ECR: Roberts, Bulecza-Banks, Fletcher

GCL: Hartman

Issue 1: Should the Commission release the funds escrowed which were required by Order No. PSC-08-0483-PCO-WU?

Recommendation: Yes. The Utility has refunded the difference between one temporary charge of \$2,900, and the Commission approved final plant capacity charge of \$2,600. As such, the escrow account funds should be released to Raintree and the escrow account should be closed.

Issue 2: Should this docket be closed?

Recommendation: Yes. The docket should be closed.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

11

Docket No. 080250-SU – Application for increase in wastewater rates in Pinellas County by Mid-County Services, Inc.

Critical Date(s): 60-Day Suspension Date Waived Through 10/28/08

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: ECR: Buys, Bulecza-Banks, Daniel, Fletcher, Livingston, Walden
GCL: Hartman

(Participation is at the Discretion of the Commission.)

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

Recommendation: Yes. Mid-County’s proposed wastewater rates should be suspended.

Issue 2: Should an interim revenue increase be approved?

Recommendation: Yes. On an interim basis, the Utility should be authorized to collect annual wastewater revenues as indicated below:

	<u>Adjusted Test</u> <u>Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue</u> <u>Requirement</u>	<u>% Increase</u>
Wastewater	\$1,731,567	\$62,872	\$1,794,439	3.63%

Issue 3: What are the appropriate interim wastewater rates?

ITEM NO.

CASE

11

Docket No. 080250-SU – Application for increase in wastewater rates in Pinellas County by Mid-County Services, Inc.

(Continued from previous page)

Recommendation: The wastewater service rates for Mid-County in effect as of December 31, 2007, should be increased by 3.63 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 discussed in Issue 4 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: A corporate undertaking is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc. (UI), and written confirmation of UI’s continued attestation that it does not have any outstanding guarantees on behalf of UI-owned utilities in other states. 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 equal to the outstanding amount of \$528,209 plus the amount approved by the Commission in this docket and Docket Nos. 080247-SU, 080248-SU, and 080249-WS. 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 undertaken 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 final action on the Utility’s requested rate increase.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

12**PAA

Docket No. 080104-SU – Application for staff-assisted rate case in Brevard County by Colony Park Utility, Inc.

Critical Date(s): 07/17/09 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: ECR: Hudson, Bulecza-Banks, Fletcher, Daniel

GCL: Klancke

(Proposed Agency Action Except for Issues 9, 10, and 11.)

Issue 1: Is the quality of service provided by Colony Park Utilities, Inc. considered satisfactory?

Recommendation: Yes. The overall quality of service provided by Colony Park Utilities, Inc. should be considered satisfactory.

Issue 2: What portions of the Utility's wastewater facilities are used and useful?

Recommendation: Colony Park's wastewater treatment plant and collection system should be considered 100 percent used and useful.

Issue 3: What is the appropriate average test year rate base for Colony Park?

Recommendation: The appropriate average test year rate base for Colony Park should be \$76,940.

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

Recommendation: The appropriate return on equity is 12.01 percent with a range of 11.01 percent - 13.01 percent. The appropriate overall rate of return is 5.50 percent.

Issue 5: What are the appropriate amount of test year revenues?

Recommendation: The appropriate test year revenue for this Utility is \$41,499.

Issue 6: What are the appropriate operating expenses?

Recommendation: The appropriate amount of operating expenses for Colony Park is \$60,046.

Issue 7: What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement is \$65,351 for wastewater.

Issue 8: What are the appropriate rates for this Utility?

Recommendation: The appropriate monthly wastewater rates are shown on Schedule No. 4-A of Staff's memorandum dated October 16, 2008. Excluding miscellaneous service revenues, the recommended wastewater rates are designed to produce revenues of \$65,351. Colony Park should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date of the revised tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the rates should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date the notice was given no less than 10 days after the date of the notice.

ITEM NO.

CASE

12**PAA

Docket No. 080104-SU – Application for staff-assisted rate case in Brevard County by Colony Park Utility, Inc.

(Continued from previous page)

Issue 9: What is the appropriate amount by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, F.S.?

Recommendation: The water rates should be reduced as shown on Schedule No. 4 of Staff's memorandum dated October 16, 2008, to remove rate case expense grossed up for regulatory assessment fees and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. Colony Park should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

Issue 10: Should the recommended rates be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than Colony Park?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. Prior to implementation of any temporary rates, Colony Park should provide appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the analysis portion of Staff's memorandum dated October 16, 2008. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., Colony Park should file reports with the Commission's Division of Economic Regulation no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

Issue 11: Should Colony Park Utility, Inc. be ordered to show cause within 21 days why it should not be fined for its apparent violation of Rule 25-30.115, F.A.C., for failure to maintain its books and records in conformance with the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA)?

Recommendation: No. A show cause proceeding should not be initiated. However, Colony Park Utility, Inc. should be ordered to maintain its books and records in conformance with the 1996 NARUC USOA.

ITEM NO.

CASE

12**PAA

Docket No. 080104-SU – Application for staff-assisted rate case in Brevard County by Colony Park Utility, Inc.

(Continued from previous page)

Issue 12: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action issues files a protest within 21 days of the issuance of the order, a Consummating Order should be issued. However, 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. When the PAA issues are final and the tariff and notice actions are complete, this docket may be closed administratively.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

13

Docket No. 080247-SU – Application for increase in wastewater rates in Lee County by Utilities, Inc. of Eagle Ridge.

Critical Date(s): 60-Day Suspension Date Waived to 10/28/08.

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: ECR: Crawford, Bulecza-Banks, Fletcher, Livingston, Redemann

GCL: Bennett

(Participation is at the Discretion of the Commission.)

Issue 1: Should the utility's proposed final wastewater rates be suspended?

Recommendation: Yes. Eagle Ridge's proposed final water and wastewater rates should be suspended.

Issue 2: Should any interim revenue increase be approved?

Recommendation: Yes, the Utility should be authorized to collect annual wastewater revenues as indicated below:

	<u>Adjusted Test</u> <u>Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue</u> <u>Requirement</u>	<u>% Increase</u>
Wastewater	\$795,355	\$246,392	\$1,041,747	30.98%

Issue 3: What are the appropriate interim wastewater rates?

Recommendation: The wastewater service rates for Eagle Ridge in effect as of December 31, 2007, should be increased by 31.01 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), Florida Administrative Code (F.A.C.), provided customers have received notice. 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

13

Docket No. 080247-SU – Application for increase in wastewater rates in Lee County by Utilities, Inc. of Eagle Ridge.

(Continued from previous page)

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

Recommendation: A corporate undertaking is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc. (UI), and written confirmation of UI's continued attestation that it does not have any outstanding guarantees on behalf of UI-owned utilities in other states. 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 equal to the outstanding amount of \$528,209 plus the amount approved by the Commission in this docket and Docket Nos. 080248-SU, 080249-WS, and 080250-SU. 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 undertaken in accordance with Rule 25-30.360, F.A.C.

Issue 5: Should the docket be closed?

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

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

14

Docket No. 080248-SU – Application for increase in wastewater rates in Pinellas County by Tierra Verde Utilities, Inc.

Critical Date(s): 60-Day Suspension Date Waived Through 10/28/08

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: ECR: Buys, Bulecza-Banks, Daniel, Fletcher, Livingston, Walden

GCL: Young

(Participation is at the Discretion of the Commission.)

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

Recommendation: Yes. Tierra Verde's proposed final wastewater rates should be suspended.

Issue 2: Should an interim revenue increase be approved?

Recommendation: Yes. On an interim basis, the Utility should be authorized to collect annual wastewater revenues as indicated below:

	Adjusted Test		Revenue	
	<u>Year Revenues</u>	<u>\$ Increase</u>	<u>Requirement</u>	<u>% Increase</u>
Wastewater	\$751,404	\$151,806	\$903,210	20.20%

Issue 3: What are the appropriate interim wastewater rates?

Recommendation: The wastewater service rates for Tierra Verde in effect as of December 31, 2007, should be increased by 20.22 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 discussed in Issue 4 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: A corporate undertaking is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc. (UI), and written confirmation of UI's continued attestation that it does not have any outstanding guarantees on behalf of UI-owned utilities in other states. 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 equal to the outstanding amount of \$528,209 plus the amount approved by the Commission in this docket and Docket Nos. 080247-SU, 080249-WS, and 080250-SU. 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 undertaken in accordance with Rule 25-30.360, F.A.C.

ITEM NO.

CASE

14

Docket No. 080248-SU – Application for increase in wastewater rates in Pinellas County by Tierra Verde Utilities, Inc.

(Continued from previous page)

Issue 5: Should this docket be closed?

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

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

15

Docket No. 080249-WS – Application for increase in water and wastewater rates in Pasco County by Labrador Utilities, Inc.

Critical Date(s): 60-Day Suspension Date Waived to 10/28/08

Commissioners Assigned: All Commissioners

Prehearing Officer: Argenziano

Staff: ECR: Mouring, Bulecza-Banks, Daniel, Fletcher, Livingston, Rieger
 GCL: Jaeger

(Participation is at the Discretion of the Commission.)

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

Recommendation: Yes. Labrador's proposed final water and wastewater rates should be suspended.

Issue 2: Should an interim revenue increase be approved?

Recommendation: Yes, the Utility 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	\$155,762	\$97,862	\$253,624	62.83%
Wastewater	\$362,451	\$29,609	\$392,060	8.17%

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

Recommendation: The water and wastewater service rates for Labrador in effect as of December 31, 2007, should be increased by 63.24 percent and 8.19 percent, respectively, 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), Florida Administrative Code (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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Docket No. 080249-WS – Application for increase in water and wastewater rates in Pasco County by Labrador Utilities, Inc.

(Continued from previous page)

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

Recommendation: A corporate undertaking is acceptable contingent upon receipt of the written guarantee of the parent company, Utilities, Inc. (UI), and written confirmation of UI's continued attestation that it does not have any outstanding guarantees on behalf of UI-owned utilities in other states. 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 equal to the outstanding amount of \$528,209 plus the amount approved by the Commission in this docket and Docket Nos. 080247-SU, 080248-SU, and 080250-SU. 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 undertaken in accordance with Rule 25-30.360, F.A.C.

Issue 5: Should the docket be closed?

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

DECISION: The recommendations were approved.

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