

MINUTES OF September 25, 2007

COMMISSION CONFERENCE

COMMENCED: 9:40 a.m.

ADJOURNED: 10:55 a.m.

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

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

1

Approval of Minutes

August 28, 2007 Regular Commission Conference

DECISION: The minutes were approved.

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

ITEM NO.

CASE

2**

Docket No. 070572-TL – Proposed amendment of Rule 25-4.0665, F.A.C., Lifeline Service.

Critical Date(s): 12/31/07 (Deadline to adopt rules)

Rule Status: Proposed

Commissioners Assigned: All Commissioners

Prehearing Officer: Carter

Staff: GCL: Scott
CMP: Casey, Williams
ECR: Dickens

Issue 1: Should the Commission propose the amendment of Rule 25-4.0665, F.A.C., Lifeline Service?

Recommendation: Yes. The Commission should propose the amendment of Rule 25-4.0665, F.A.C., as set forth in Attachment A of staff's September 13, 2007, memorandum.

Issue 2: Should this docket be closed?

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

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

3**PAA

Docket No. 070370-TL – Petition for waiver of Rule 25-4.110(5)(c), F.A.C., regarding requirement of local exchange companies to list items for which nonpayment will result in disconnection of customer's basic local service, by BellSouth Telecommunications, Inc. d/b/a AT&T Florida d/b/a AT&T Southeast.

Critical Date(s): 10/15/07 (Statutory deadline)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Pruitt, King

GCL: Mann

Issue 1: Should the Commission approve the request for waiver of the billing requirement of Rule 25-4.110(5)(c), Florida Administrative Code, by BellSouth Telecommunications, Inc. d/b/a AT&T Florida d/b/a AT&T Southeast?

Recommendation: Yes. The Commission should approve the request for waiver of the billing requirement of Rule 25-4.110(5)(c), Florida Administrative Code.

Issue 2: 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: This item was deferred; the company has waived the timeline.

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

ITEM NO.

CASE

4**PAA

Docket No. 070419-TI – Investigation and determination of appropriate method for issuing refunds to affected customers for apparent overcharges by Global Crossing Telecommunications, Inc. for homesaver 1+ and calling card plans.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Watts

GCL: McKay, Wiggins

Issue 1: Should the Commission accept Global Crossing Telecommunications, Inc.'s proposal to issue a refund of \$2,950.00 to all customers that were overcharged using the Homesaver 1+ Residential Plan and the Homesaver Access Calling Card, from January 2007 through May 2007, beginning with the first billing cycle in October 2007, and require the company to submit a report by February 12, 2008, to the Commission stating, (1) how much was refunded to its customers, and (2) the total number of customers receiving refunds?

Recommendation: Yes. The Commission should accept Global Crossing's refund proposal.

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 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 report, identified by docket number, by February 12, 2008. If any monies are not refunded, Global Crossing should submit payment of these monies to the Commission and the Commission shall deposit these monies in the General Revenue Fund. Upon receipt of the final report, this docket should be closed administratively if no timely protest has been filed.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

5

Docket No. 060822-TL – Petition for relief from carrier-of-last-resort (COLR) obligations pursuant to Florida Statutes 364.025(6)(d) for two private subdivisions in Nocatee development, by BellSouth Telecommunications, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Carter

Staff: CMP: Buys, Kennedy, Mailhot, Moses, Ollila

GCL: Mann, Wiggins

Issue 1a: Under Section 364.025(6)(d), Florida Statutes, has AT&T shown good cause to be relieved of its Carrier-of-Last-Resort obligation to provide service at the Coastal Oaks and Riverwood subdivisions in the Nocatee development located in Duval and St. Johns Counties?

Recommendation: No. AT&T has not shown good cause to be relieved of its COLR obligation to provide basic local exchange telephone service to the residents of the Coastal Oaks and Riverwood subdivisions in the Nocatee development located in Duval and St. Johns Counties.

DECISION: The recommendation was denied. The alternative recommendation submitted by the Commissioners was approved; language proposed by the General Counsel at the conference is to be included in the order.

Issue 1b: Is AT&T entitled to seek recovery of a portion of its cost for the extension of facilities, pursuant to Rule 25-4.067, F.A.C., and AT&T's tariff prior to installing its facilities in the private subdivisions in Nocatee?

Recommendation: No. Rule 25-4.067, F.A.C., and AT&T's tariff do not apply in this case.

DECISION: The recommendation is moot.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of the final order.

DECISION: The recommendation was approved.

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

ITEM NO.

CASE

6**

Docket No. 070368-TP – Notice of adoption of existing interconnection agreement between BellSouth Telecommunications, Inc. d/b/a AT&T Florida d/b/a AT&T Southeast and Sprint Communications Company Limited Partnership, Sprint Communications Company L.P., Sprint Spectrum L.P., by NPCR, Inc. d/b/a Nextel Partners.

Docket No. 070369-TP – Notice of adoption of existing interconnection agreement between BellSouth Telecommunications, Inc. d/b/a AT&T Florida d/b/a AT&T Southeast and Sprint Communications Company Limited Partnership, Sprint Communications Company L.P., Sprint Spectrum L.P., by Nextel South Corp. and Nextel West Corp.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Bates

GCL: McKay, Teitzman

(Motion to dismiss)

Issue 1: Should the Commission grant AT&T's Motion to Dismiss?

Recommendation: No. Staff recommends that AT&T's Motion to Dismiss be denied, because Nextel's Notice of Adoption does state a cause of action upon which relief may be granted.

Issue 2: Should this Docket be closed?

Recommendation: No. If the Commission approves staff's recommendation in Issue 1, this Docket should be held open pending further proceedings.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

7**

Docket No. 070050-TI – Compliance investigation of NETECOM, Inc. for apparent violation of Rules 25-24.470, F.A.C., Registration Required.

Docket No. 070569-TI – Request for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., due to customer transfer arrangement between Telenational Communications, Inc. and NETECOM Communications, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Curry

GCL: Tan, McKay

Issue 1: Should the Commission accept NETECOM, Inc.'s proposed settlement offer to cease providing intrastate interexchange telecommunications service in Florida and to transfer all of its current customers to Telenational Communications, Inc.?

Recommendation: Yes. The Commission should accept NETECOM, Inc.'s proposed settlement offer to cease providing intrastate interexchange telecommunications service in Florida and to transfer all of its current customers to Telenational Communications, Inc.

Issue 2: Should the Commission grant Telenational Communications, Inc.'s request for waiver of the carrier selection requirements of Rule 25-4.118, F.A.C., due to the customer transfer arrangement between Telenational Communications, Inc. and NETECOM, Inc.?

Recommendation: Yes. The Commission should grant Telenational Communications Inc.'s request for waiver of the carrier selection requirements of Rule 25-4.118, F.A.C., due to the customer transfer arrangement between Telenational Communications, Inc. and NETECOM, Inc.

ITEM NO.

CASE

7**

Docket No. 070050-TI – Compliance investigation of NETECOM, Inc. for apparent violation of Rules 25-24.470, F.A.C., Registration Required.

Docket No. 070569-TI – Request for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., due to customer transfer arrangement between Telenational Communications, Inc. and NETECOM Communications, Inc.

(Continued from previous page)

Issue 3: Should this docket be closed?

Recommendation: If the Commission approves staff's recommendation, this docket shall remain open until staff has verified that NETECOM is no longer providing intrastate interexchange telecommunications service in Florida. NETECOM must submit a report to staff by October 25, 2007, confirming that the company has ceased operating in Florida and has transferred all of its customers to TNC. If staff determines that NETECOM has complied with the provisions of the Commission's Order, then this docket shall be closed administratively. If NETECOM fails to demonstrate that it has complied with the provisions of the Commission's Order, then Order No. PSC-07-0278-PAA-TI, will become final and effective upon issuance of a Consummating Order, and the \$25,000 penalty will be assessed payable to the Commission. If the company fails to pay the penalty, it will be forwarded to the Department of Financial Services for further collection efforts. If the penalty is forwarded to the Department of Financial Services, this docket shall be closed administratively.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

8**PAA

Docket No. 070566-TI – Compliance investigation of UMCC Holdings for apparent violation of Rule 25-24.470, F.A.C., Registration Required.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Curry

GCL: Tan

Issue 1: Should the Commission impose a penalty in the amount of \$25,000 upon UMCC Holdings for its apparent violation of Rule 25-24.470, F.A.C., Registration Required, to be paid to the Florida Public Service Commission within fourteen calendar days after the issuance of the Consummating Order?

Recommendation: Yes. The Commission should impose a penalty in the amount of \$25,000 upon UMCC, Holdings for its apparent violation of Rule 25-24.470, F.A.C., Registration Required, to be paid to the Florida Public Service Commission within fourteen calendar days after the issuance of the Consummating Order.

Issue 2: Should the Commission impose a penalty in the amount of \$10,000 upon UMCC Holdings for its apparent violations of Rule 25-22.032(6)(b), Customer Complaints, Florida Administrative Code, to be paid to the Florida Public Service Commission within fourteen calendar days after the issuance of the Consummating Order?

Recommendation: Yes. The Commission should impose a penalty in the amount of \$10,000 upon UMCC Holdings for its apparent violation of Rule 25-22.032(6)(b), Customer Complaints, Florida Administrative Code, to be paid to the Florida Public Service Commission within fourteen calendar days after the issuance of the Consummating Order

ITEM NO.

CASE

8**PAA

Docket No. 070566-TI – Compliance investigation of UMCC Holdings for apparent violation of Rule 25-24.470, F.A.C., Registration Required.

(Continued from previous page)

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. As provided by Section 120.80(13) (b), Florida Statutes, any issues not in dispute should be deemed stipulated. If UMCC 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 payment of the penalties are not received within fourteen (14) calendar days after the issuance of the Consummating Order, the penalties should be referred to the Department of Financial Services for collection and the company should be required to immediately cease and desist providing intrastate interexchange telecommunications service in Florida. This docket should be closed administratively upon receipt of the company's current contact information and tariff, the company's response to the customer complaint, and payment of the penalties, or upon the referral of the penalties to the Department of Financial Services.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

9**PAA

Docket No. 070375-EG – Petition for approval of modifications to demand-side management plan by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Sickel, Kummer

GCL: Fleming

Issue 1: Should the Commission approve Tampa Electric Company's (TECO) petition to modify nine of the company's DSM programs and add 12 new programs as described in its petition?

Recommendation: The Commission should approve all the modifications and programs, except the Commercial Demand Response program, as set forth in TECO's petition. The Commission should, however, grant limited authorization for TECO to implement the Commercial Demand Response program for a maximum period of four years. All the programs are each monitorable and cost-effective. TECO should be allowed to request recovery of reasonable costs associated with the approved modifications and new programs through the Energy Conservation Cost Recovery (ECCR) clause. TECO should provide updated cost-effectiveness analysis for the Commercial Demand Response program as part of its annual filings in the ECCR proceeding. If the Commercial Demand Response program is modified during the contract period, or at the close of the current contract, the program would also be subject to Commission approval.

Issue 2: Should TECO be authorized to make the Prime Time load control program available to new occupants of a residence which has the necessary equipment previously installed?

Recommendation: No. The requested continuation of the Prime Time program has not been shown to be cost-effective at the present time. If an updated analysis of a proposed modification to the program indicates that modification is cost-effective, TECO may petition to include the modified program in its conservation offerings.

Issue 3: Should the Commission approve TECO's request to modify its currently approved conservation goals?

Recommendation: If issues 1 and 2 are approved, then the Commission should approve TECO's request to modify its currently approved conservation goals. The proposed modifications and additions to the conservation programs will result in additional savings to both residential and commercial peak loads, as well as reduced energy consumption.

ITEM NO.

CASE

9**PAA

Docket No. 070375-EG – Petition for approval of modifications to demand-side management plan by Tampa Electric Company. ~~Docket No. 070293-SU~~ – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(Continued from previous page)

Issue 4: Should the proposed modifications to the Tariff Sheets 3.150 and 3.200 be approved?

Recommendation: Yes. If Issue 1 is approved, the proposed tariff sheets implement the increased load management credits discussed in staff's September 13, 2007, memorandum.

Issue 5: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved, the tariffs and programs should become effective on the date of the consummating order. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

10

Docket No. 070293-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

Critical Date(s): 10/02/07 (60-day suspension date)
 04/03/08 (8-month effective date)

Commissioners Assigned: All Commissioners
Prehearing Officer: Argenziano

Staff: ECR: Rendell, Bulecza-Banks, Edwards, Fletcher, Roberts, Springer
 GCL: Jaeger

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

Recommendation: Yes. KW Resort's proposed final 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	\$1,023,714	\$204,008	\$1,227,722	19.93%

Issue 3: What are the appropriate interim wastewater rates?

Recommendation: The wastewater service rates for KW Resort in effect as of December 31, 2006, should be increased by 21.44% 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.

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 a letter of credit to guarantee any potential refunds of revenues collected under interim conditions. If the utility chooses to open an escrow account, it should deposit 21.44% of interim revenues collected each month. The surety bond or letter of credit should be in the amount of \$173,904. 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

10

Docket No. 070293-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(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: Edgar, Carter, McMurrian, Argenziano, Skop

ITEM NO.

CASE

11**

Docket No. 070366-WU – Application to amend water tariff to allow collection of customer deposits by O&S Water Company, Inc.

Critical Date(s): 02/07/08 (8-month effective date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Deason, Rendell

GCL: Jaeger

Issue 1: Should O&S's proposed tariff sheet to collect customer deposits be approved as filed?

Recommendation: Yes, Third Revised Sheet No. 13.0 filed on June 7, 2007, should be approved as filed. The revised tariff sheet should be implemented on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(2), Florida Administrative Code (F.A.C.), provided the utility submits and receives approval of its proposed customer notice and that the customers have received the approved notice. Staff further recommends the utility submit a revised tariff sheet to include a provision for new or additional customer deposits, as discussed in the analysis portion of staff's memorandum dated September 13, 2007. Staff should be given authority to administratively approve this tariff upon verification it is consistent with the Commission's decision. The revised tariff sheet should be implemented on or after the stamped approval date on the revised tariff sheet, pursuant to Rule 25-30.475(2), F.A.C., if no protest is filed and once the proposed customer notice has been approved by staff as adequate, and the customers have received the approved notice.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved, this tariff should become effective on or after the stamped approval date of the tariff sheet, pursuant to Rule 25-30.475, F.A.C., provided the customers have received adequate notice. If a protest is filed within 21 days of the issuance of the Order by a substantially affected person, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest, and the docket should remain open. If no timely protest is filed, a Consummating Order will be issued. However, the docket should remain open to allow staff to review the amended tariff. If the amended tariff is approved, the docket should be closed administratively.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

12**

Docket No. 070135-GU – Petition for waiver of service line abandonment provisions of Rule 25-12.045, F.A.C. by Florida Natural Gas Association.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: McMurrin

Staff: RCA: Mills
GCL: Young

Issue 1: Should the Commission approve the Florida Natural Gas Association's Settlement Proposal?

Recommendation: Yes. The Settlement Proposal filed by the Florida Natural Gas Association should be approved. The Commission should clarify that Order No. PSC-07-0488-PAA-GU granted the temporary waiver of Paragraphs (1)(b) and (1)(c) of Rule 25-12.045, F.A.C., in their entirety. If the Commission approves FNGA's Settlement Proposal without modification, FNGA's Protest of Order No. PSC-07-0488-PAA-GU should be deemed withdrawn.

Issue 2: Should this docket be closed?

Recommendation: If the Commission approves Staff's recommendation in Issue 1, FNGA's Protest of Order No. PSC-07-0488-PAA-GU will be deemed withdrawn and Order No. PSC-07-0488-PAA-GU will become final. Thus, the docket should be closed. If the Commission denies Staff's recommendation, this docket should remain open to proceed to hearing on FNGA's Protest of Order No. PSC-07-0488-PAA-GU.

DECISION: The recommendations were approved.

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