

**MINUTES OF APRIL 15, 2003**

**COMMISSION CONFERENCE**

**COMMENCED:** 9:34 a.m.

**ADJOURNED:** 10:08 a.m.

**COMMISSIONERS PARTICIPATING:** Chairman Jaber  
Commissioner Deason  
Commissioner Baez  
Commissioner Bradley  
Commissioner Davidson

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

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1Approval of Minutes

March 18, 2003 Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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ITEM NO. CASE

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2\*\*Consent Agenda

PAA A) Applications for certificates to provide alternative local exchange telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
030211-TX	Fort Pierce Utilities Authority d/b/a GigaBand Communications
030272-TX	Essex Acquisition Corporation

PAA B) Application for certificate to provide interexchange telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
030143-TI	DIECA Communications, Inc. d/b/a Covad Communications Company

PAA C) Applications for certificates to provide interexchange telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
030199-TI	TCO Network, Inc.
030271-TI	Essex Acquisition Corporation

PAA D) Applications for certificates to provide pay telephone service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
030243-TC	Brad E. Torres
030227-TC	West View Ridge Property Owners Association, Inc.
030275-TC	Dead Fish, Inc.

PAA E) DOCKET NO. 030076-TI - Application for approval of transfer of and name change on IXC Certificate No. 3531 from OneStar Communications, LLC to OneStar Long Distance, Inc.

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2**	Consent Agenda  (Continued from previous page)
PAA	F) DOCKET NO. 030077-TX - Application for approval of transfer of and name change on ALEC Certificate No. 4847 from OneStar Communications, LLC to OneStar Long Distance, Inc.
PAA	G) Request for two-year exemption from requirement of Rule 25-24.515(13), F.A.C., that each pay telephone station shall allow incoming calls.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>PHONE NO. &amp; LOCATION</u>
030295-TC	BellSouth Public Communications, Inc.	407-438-0948 407-438-1158 Orange Blossom Shopping Center 4550 S. Orange Blossom Trail Orlando

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

DECISION: The recommendation was approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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3\*\*PAADocket No. 021051-EI - Complaint of The Links Homeowners Association, Inc. against Tampa Electric Company, request for investigation, and request for determination that The Links is not responsible for monies TECO claims are due and owing.

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Baez

Staff: GCL: Holley  
ECR: Kummer

ISSUE 1: Should the Commission find that The Links is responsible for monies that TECO claims are due and owing?  
RECOMMENDATION: Yes. The Commission should find that The Links is responsible for the amount of \$8,874.19 owed to TECO for lighting service provided to the community for the period of March 1999 through October 2001.

ISSUE 2: Should this docket be closed?  
RECOMMENDATION: Yes. If the Commission approves staff's recommendation, this docket should be closed upon the issuance of a consummating order, provided that no substantially affected person files a protest within 21 days of the issuance of the Order.

DECISION: This item was deferred.

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ITEM NO.

CASE

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4\*\*Docket No. 030289-WS - Disposition of delinquent regulatory assessment fees and delinquent annual report and penalties for Sports Shinko Utility, Inc. d/b/a Grenelefe Utilities in Polk County.

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: GCL: Echternacht  
ECR: Kaproth, Peacock

ISSUE 1: Should Sports Shinko Utilities, Inc. be ordered to show cause, in writing, within 21 days, why it should not be fined for failure to remit its regulatory assessment fees (RAFs) as required by Section 367.145, Florida Statutes, and Rule 25-30.120, Florida Administrative Code, and failure to file annual reports as required by Rule 25-30.110(3), Florida Administrative Code?

RECOMMENDATION: No. A show cause proceeding should not be initiated. Staff recommends that the Commission refer the utility's unpaid regulatory assessment fees (RAFs) and associated penalties and interest to the Department of Financial Services for permission to write off the accounts as uncollectible. Staff further recommends that the penalties set according to Rule 25-30.110(6), Florida Administrative Code, for outstanding annual reports should not be assessed, and that Sports Shinko should not be required to file the annual report for the year designated.

ISSUE 2: Should this docket be closed?

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

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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5\*\*PAADocket No. 020400-TX - Application for certificate to provide alternative local exchange telecommunications service by Cellutel Communications Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: CMP: McCoy  
GCL: Teitzman

ISSUE 1: Should the Commission grant Cellutel Communications Inc. a certificate to provide alternative local exchange telecommunications service in the state of Florida as provided by Section 364.337, Florida Statutes?

RECOMMENDATION: No. The applicant should not be granted a certificate to provide alternative local exchange telecommunications service in Florida.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. This docket should be closed upon the issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Proposed Agency Action Order.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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6\*\*PAADocket No. 020381-TI - Application for certificate to provide interexchange telecommunications service by Access World, LLC.

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: CMP: McCoy  
GCL: Dodson

ISSUE 1: Should the Commission grant Access World, LLC a certificate to provide interexchange telecommunications service in the state of Florida as provided by Section 364.337, Florida Statutes?

RECOMMENDATION: No. The Commission should not grant Access World, LLC a certificate to provide interexchange telecommunications service in Florida and the application should be denied.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. This docket should be closed upon the issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Proposed Agency Action Order.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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7\*\*PAADocket No. 020468-TC - Application for certificate to provide pay telephone service by Equity Pay Telephone Co., Inc., and petition for exemption from Rule 25-24.511(5), F.A.C.

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: CMP: McCoy  
GCL: Christensen

ISSUE 1: Should Equity Pay Telephone Co., Inc.'s Petition for Exemption from Rule 25-24.511(5), Florida Administrative Code, be granted?

RECOMMENDATION: Yes. Staff believes that Equity Pay Telephone Co., Inc.'s petition for Exemption from Rule 25-24.511(5), Florida Administrative Code, should be granted.

ISSUE 2: Should the Commission grant Equity Pay Telephone Co., Inc.'s application for certificate of public necessity and convenience for pay telephone service?

RECOMMENDATION: Yes. Staff recommends that Equity Pay Telephone Co., Inc.'s application for a certificate of public necessity and convenience to provide pay telephone service should be granted.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: Yes. If the Commission approves or denies staff's recommendation on Issues 1 and 2, this docket should be closed upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action order.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson



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8\*\*PAADocket No. 030138-TL - Joint petition for transfer of territory, for modification of certain exchange boundaries, and for certificate amendment in Orange County by Sprint-Florida, Incorporated (holder of Certificate No. 22) and BellSouth Telecommunications, Inc. (holder of Certificate No. 8).

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: CMP: Pruitt, Colby  
GCL: Rojas, McKay

ISSUE 1: Should the joint petition filed by Sprint-Florida, Incorporated and BellSouth Telecommunications, Inc. for approval of a territorial agreement to modify the exchange boundary within the Baldwin Park Planned Unit Development and to amend the companies' local exchange certificates be approved?

RECOMMENDATION: Yes. The joint petition filed by Sprint and Bell should be approved because it meets the requirements of Rule 25-4.005, Florida Administrative Code, Transfer of Certificate of Public Convenience and Necessity as to All or Portion of Service Area.

ISSUE 2: Should this docket be closed?

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

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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9\*\*PAADocket No. 021162-TI - Cancellation by Florida Public Service Commission of IXC Certificate No. 7979 issued to TalkNow, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies. (Deferred from February 4, 2003 conference; revised recommendation filed.)

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: CMP: Isler  
GCL: Dodson

ISSUE 1: Should the Commission grant TalkNow, Inc. a voluntary cancellation of Interexchange Carrier Certificate No. 7979 to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should grant the company a voluntary cancellation of its certificate with an effective date of December 13, 2002. If the company's certificate is cancelled in accordance with the Commission's Order from this recommendation, TalkNow, Inc. should be required to immediately cease and desist providing interexchange carrier service in Florida.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: The Order issued from this recommendation will become final upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Proposed Agency Action Order. The docket should then be closed upon cancellation of the certificate.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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10\*\*PAADocket No. 030249-EI - Request for approval to change allowance for funds used during construction (AFUDC) rate from 7.35% to 7.48% effective 1/1/03, by Gulf Power Company.

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: ECR: Brinkley, Maurey  
GCL: Rodan

ISSUE 1: Should the Commission approve Gulf's request to increase its AFUDC rate from 7.35% to 7.48%?

RECOMMENDATION: Yes. The appropriate AFUDC rate for Gulf is 7.48% based on a 13-month average capital structure for the period ending December 31, 2002.

ISSUE 2: What is the appropriate monthly compounding rate to achieve the requested 7.48% annual rate?

RECOMMENDATION: The appropriate monthly compounding rate to maintain a simple rate of 7.48% is 0.602932%.

ISSUE 3: Should the Commission approve Gulf Power Company's requested effective date of January 1, 2003, for implementing the revised AFUDC rate?

RECOMMENDATION: Yes.

ISSUE 4: Should this docket be closed?

RECOMMENDATION: Yes. This docket should be closed upon the issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

ITEM NO.

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11\*\*PAADocket No. 020409-SU - Application for rate increase in  
Charlotte County by Utilities, Inc. of Sandalhaven.

Critical Date(s): Extended to 4/29/03 (5-month effective  
date - PAA rate case)

Commissioners Assigned: Full Commission  
Prehearing Officer: Deason

Staff: ECR: Joyce, Revell, Edwards, Fitch, Merchant  
GCL: Stern

ISSUE 5: Is the quality of service provided by Sandalhaven  
satisfactory?

RECOMMENDATION: Yes. The quality of service should be  
considered satisfactory.

ISSUE 6: Should adjustments be made to organization and  
franchise costs?

RECOMMENDATION: Yes. Sandalhaven's organization and  
franchise costs should be reduced by \$76,921 and \$23,241,  
respectively, to reclassify them as below the line  
acquisition costs, prior owner and undocumented costs.  
Corresponding adjustments are also necessary to decrease  
accumulated depreciation and depreciation expense as  
follows:

	<u>Accumulated Depreciation</u>	<u>Depreciation Expense</u>
Organization Costs	\$20,866	\$1,920
Franchise Costs	\$13,258	\$ 580

ISSUE 3: Should plant additions related to capitalized  
Allowance for Funds Used During Construction (AFUDC)  
accruals be allowed?

RECOMMENDATION: No. The utility did not have an approved  
AFUDC rate. The utility should remove \$8,628 and \$432 of  
average capitalized AFUDC and accumulated depreciation,  
respectively. The utility should also remove \$452 of  
depreciation expense. The utility should also be required to  
adjust its books to remove year-end plant of \$9,881 and \$657  
of year-end plant and accumulated depreciation,  
respectively.

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11\*\*PAA

Docket No. 020409-SU - Application for rate increase in Charlotte County by Utilities, Inc. of Sandalhaven.

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ISSUE 4: Should an adjustment be made to the value of utility land?

RECOMMENDATION: Yes. The value of utility land is overstated and should be reduced by \$190,000.

ISSUE 5: Should adjustments be made to the accumulated depreciation and accumulated amortization of contributions in aid of construction (CIAC) accounts?

RECOMMENDATION: Yes. The utility failed to record depreciation and amortization of CIAC and used incorrect rates. Accordingly, accumulated depreciation should be increased by \$84,433; depreciation expense should be increased by \$15,949; accumulated amortization of CIAC should be increased by \$35,128; and CIAC amortization expense should be increased by \$11,461.

ISSUE 6: Should an adjustment be made to the Water Services Corp. (WSC) rate base allocation?

RECOMMENDATION: Yes. An adjustment in the amount of \$12,208 should be made to increase rate base.

ISSUE 7: What are the used and useful percentages of the utility's wastewater treatment plant, wastewater collection system, and reclaimed water system?

RECOMMENDATION: Based on staff's analysis in its April 3, 2003 memorandum, the wastewater treatment plant should be considered 57.54% used and useful (49.89% on a composite basis), and the collection system and reclaimed water system should be considered 100% used and useful. However, since the net plant subject to used and useful consideration is 100% contributed, staff believes that it would be inappropriate to make any rate base adjustment for used and useful.

ISSUE 8: What is the appropriate working capital allowance?

RECOMMENDATION: The appropriate amount of working capital is \$26,623, based on the formula method.

ISSUE 9: What is the appropriate rate base?

RECOMMENDATION: The appropriate wastewater rate base for the test year ending December 31, 2001 is \$54,048.

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11\*\*PAA

Docket No. 020409-SU - Application for rate increase in Charlotte County by Utilities, Inc. of Sandalhaven.

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ISSUE 10: What is the appropriate weighted cost of capital including the proper components, amounts and cost rates associated with the capital structure for the test year ending December 31, 2001?

RECOMMENDATION: Adjustments should be made to include Sandalhaven's balance of average accumulated deferred income taxes at a zero-cost rate and to correct the interest costs for long- and short-term debt. The resulting overall cost of capital should be 5.72%, with a range of 5.49% to 5.96%. The return on equity (ROE) should be 10.93%, with a range of 9.93% to 11.93%.

ISSUE 11: Should an Allowance for Funds Used During Construction (AFUDC) rate be approved, and if so, what is the appropriate annual rate, monthly discounted rate, and the effective date for Sandalhaven?

RECOMMENDATION: Yes. Since the utility does not currently have an authorized AFUDC rate, the Commission, on its own motion, should establish such a rate. The utility should be authorized to implement an AFUDC rate of 5.72%, on an annual basis, with a monthly discounted rate of 0.476756%. These charges should be effective for projects as of January 1, 2002.

ISSUE 12: Should adjustments be made to salaries, other O&M expenses, and taxes other than income?

RECOMMENDATION: Yes. Salaries should be reduced by \$24,946 with a corresponding reduction to payroll taxes of \$1,909. In addition, due to allocation errors, allocated expenses O&M and payroll taxes should be reduced by \$2,032 and \$971, respectively.

ISSUE 13: Are any miscellaneous adjustments necessary to O&M expenses?

RECOMMENDATION: Yes. O&M expenses should be decreased by \$8,730 to remove prior period, unsupported, and non-recurring items from several accounts.

ISSUE 14: What is the appropriate amount of rate case expense?

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Docket No. 020409-SU - Application for rate increase in Charlotte County by Utilities, Inc. of Sandalhaven.

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RECOMMENDATION: The appropriate rate case expense for this docket is \$49,750. This expense is to be recovered over four years for an annual expense of \$12,438. This results in a decrease to the rate case expense requested in the MFRs of \$17,563.

ISSUE 15: What adjustments, if any, should be made to the utility's property taxes?

RECOMMENDATION: Property taxes should be decreased by \$6,893 to remove a prior year past due amount.

ISSUE 16: What is the test year operating income before any revenue increase?

RECOMMENDATION: Based on the adjustments discussed in previous issues, staff recommends that the test year operating income before any provision for increased revenues should be (\$14,405).

ISSUE 17: What is the appropriate revenue requirement?

RECOMMENDATION: The following revenue requirement should be approved.

	Test Year	\$	Revenue	%
	<u>Revenues</u>	<u>Increase</u>	<u>Requirement</u>	<u>Increase</u>
Wastewater	\$221,904	\$29,378	\$251,282	13.24%

ISSUE 18: Should the utility's general service tariff be revised to remove a 1½-inch meter (15 ERC Restaurant) class of service?

RECOMMENDATION: Yes. That class of service should be discontinued and the customer should be charged a tariff rate based on its water meter size.

ISSUE 19: What are the appropriate monthly rates for wastewater services for this utility?

RECOMMENDATION: The appropriate monthly rates are shown on Schedule 4 of staff's April 3, 2003 memorandum. Staff's recommended rates are designed to produce revenues of \$245,872, excluding miscellaneous service charge revenues. The utility 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

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11\*\*PAA

Docket No. 020409-SU - Application for rate increase in Charlotte County by Utilities, Inc. of Sandalhaven.

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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 after staff has approved the proposed customer notice, and after the notice is expected to have been received by the customers. The utility should provide proof of the date the notice was given no less than 10 days after the date of the notice.

ISSUE 20: Should the utility's proposed tariff to implement a reuse service rate be approved?

RECOMMENDATION: Yes. The utility's proposed tariff to implement a reuse service rate should be approved. First Revised Tariff Sheet No. 16.0 and Original Tariff Sheet No. 17.5 should be approved as filed. The approved tariffs should be effective for service rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C.

ISSUE 21: In determining whether any portion of the interim increase granted should be refunded, how should the refund be calculated, and what is the amount of the refund, if any?

RECOMMENDATION: The proper refund amount should be calculated by using the same data used to establish final rates, excluding rate case expense. This revised revenue requirement for the interim collection period should be compared to the amount of interim revenues granted. Based on this calculation, the utility should be required to refund 14.11% of wastewater revenues collected under interim rates. The refund should be made with interest in accordance with Rule 25-30.360(4), F.A.C. The utility should treat any unclaimed refunds as CIAC pursuant to Rule 25-30.360(8), F.A.C.

ISSUE 22: 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, Florida Statutes?

RECOMMENDATION: The wastewater rates should be reduced as shown on Schedule 4 of staff's analysis to remove \$13,024 in rate case expense, grossed up for regulatory assessment



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11\*\*PAA

Docket No. 020409-SU - Application for rate increase in Charlotte County by Utilities, Inc. of Sandalhaven.

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fees, which is being 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, Florida Statutes. The utility 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.

ISSUE 23: Should Sandalhaven be ordered to show cause, in writing, within 21 days, why it should not be fined for collecting charges not approved by the Commission, in apparent violation of Sections 367.081(1), and 367.091(3), Florida Statutes?

RECOMMENDATION: No. A show cause proceeding should not be initiated at this time for this issue. The utility should be put on notice that pursuant to Sections 367.081(1) and 367.091(3), Florida Statutes, it may only charge rates and charges approved by the Commission.

ISSUE 24: Should this docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected by the proposed agency action files a protest within twenty-one days of the issuance of the order, a consummating order will be issued. 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, and the refund has been completed and verified by staff. Once these actions are complete, this docket may be closed administratively, and the escrow account may be released.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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<u>ITEM NO.</u>	<u>CASE</u>
12**Docket No.	020775-WS - Joint petition for acknowledgment of corporate reorganization and for name change on Certificates Nos. 533-W and 464-S in Lake County from Southlake Utilities, Inc. to Southlake Water Works, L.L.C. d/b/a Southlake Utilities.

Critical Date(s): None

Commissioners Assigned: Full Commission  
Prehearing Officer: Administrative

Staff: ECR: Johnson  
GCL: Crosby, Helton

ISSUE 1: Should the Commission acknowledge revisions to the corporate reorganization and name change of Southlake Utilities Inc. that was previously acknowledged by Order No. PSC-02-1481-FOF-WS?

RECOMMENDATION: Yes. The Commission should acknowledge the revisions to the corporate reorganization and name change of Southlake Utilities, Inc., that was acknowledged by Order No. PSC-02-1481-FOF-WS. As a result of the revisions, there will be no name change from Southlake Utilities, Inc. to Southlake Water Works, L.L.C. d/b/a Southlake Utilities as acknowledged by Order No. PSC-02-1481-FOF-WS.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. The docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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13Docket No. 020071-WS - Application for rate increase in Marion, Orange, Pasco, Pinellas, and Seminole Counties by Utilities, Inc. of Florida.

Critical Date(s): 4/29/03 - 60-day interim consideration  
(extension granted by utility)

Commissioners Assigned: Full Commission (for interim rate decision)

Prehearing Officer: Baez

Staff: ECR: Kyle, Merchant, Maurey  
GCL: Gervasi, Holley

ISSUE 3: Should any interim revenue increase be approved for the water and wastewater systems in Pasco County and the water systems in Seminole County?

RECOMMENDATION: No. The utility's request for interim revenue increases for the water and wastewater systems in Pasco County and the water systems in Seminole County should be denied because the utility provided county-wide revenue requirements instead of calculations based on individual systems having stand-alone rates.

ISSUE 2: Should any interim revenue increase be approved?

RECOMMENDATION: Yes. Interim rate increases should be approved for the wastewater systems in Seminole County and the water systems in Marion, Orange and Pinellas Counties. On an interim basis, the utility should be allowed to collect annual water and wastewater revenues as indicated in the analysis portion of staff' April 3, 2003 memorandum. No increase should be approved for the Marion County wastewater system, as it is earning within its authorized rate of return. The docket should remain open pending the Commission's final action on the utility's requested rate increase.

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

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CASE

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13 Docket No. 020071-WS - Application for rate increase in Marion, Orange, Pasco, Pinellas, and Seminole Counties by Utilities, Inc. of Florida.

(Continued from previous page)

RECOMMENDATION: The service rates for UIF in effect as of December 31, 2001, should be increased as shown below to generate the recommended revenue increase for the interim period.

<u>System</u>	<u>Increase</u>
Marion Water	10.05%
Orange Water	14.31%
Pinellas Water	6.69%
Seminole Wastewater	51.15%

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

RECOMMENDATION: The utility should be required to file a corporate undertaking by the parent company, Utilities, Inc. (UI), to guarantee any potential refunds of water and wastewater revenues collected under interim conditions. The corporate undertaking should be in the cumulative amount of \$763,989. Pursuant to Rule 25-30.360(6), Florida Administrative Code, 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, Florida Administrative Code.

ISSUE 5: Should this docket be closed?

RECOMMENDATION: No. This docket should remain open pending the Commission's final action on the utility's requested rate increase.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley, Davidson

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<u>ITEM NO.</u>	<u>CASE</u>
14**Docket No.	030200-TP - Emergency petition of AT&T Communications of the Southern States, LLC d/b/a AT&T d/b/a Lucky Dog Phone Co. d/b/a ACC Business d/b/a SmarTalk d/b/a Unispeaks Service d/b/a AT&T for cease and desist order and other sanctions against Supra Telecommunications and Information Systems, Inc.

Critical Date(s): None

Commissioners Assigned: Deason, Baez, Davidson  
Prehearing Officer: Davidson

Staff: CMP: Buys  
GCL: Fordham

ISSUE 1: Should the Commission grant Supra's Motion to Dismiss AT&T's Emergency Petition Requesting a Cease and Desist Order and Other Sanctions Against Supra filed in Docket No. 030200-TP?

RECOMMENDATION: No. Staff believes that AT&T's Emergency Petition for Relief, when viewed in the light most favorable to AT&T, states a cause of action cognizable under Chapter 364, Florida Statutes, and that AT&T has standing to bring this action. Therefore, the Motion to Dismiss should be denied.

ISSUE 2: Should Docket No. 030200-TP be set for an evidentiary hearing?

RECOMMENDATION: Yes. If the recommendation in Issue 1 is approved, Docket No. 030200-TP should be set for an evidentiary hearing.

ISSUE 3: Should Docket No. 030200-TP be closed?

RECOMMENDATION: No. If staff's recommendation in Issue 1 is approved, Docket No. 030200-TP should remain open pending final disposition by the Commission.

DECISION: The recommendations were approved.

Commissioners participating: Deason, Baez, Davidson

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<u>ITEM NO.</u>	<u>CASE</u>
15**Docket No.	020919-TP - Request for arbitration concerning complaint of AT&T Communications of the Southern States, LLC, Teleport Communications Group, Inc., and TCG South Florida for enforcement of interconnection agreements with BellSouth Telecommunications, Inc.
	Critical Date(s): None
	Commissioners Assigned: Deason, Bradley, Davidson Prehearing Officer: Deason
	Staff: GCL: Christensen CMP: Marsh
	<u>ISSUE 1</u> : Should the Commission grant AT&T's Second Motion to Strike Additional BellSouth Testimony? <u>RECOMMENDATION</u> : No. The Commission should deny AT&T's Second Motion to Strike Additional BellSouth Testimony.
	<u>ISSUE 2</u> : Should this docket be closed? <u>RECOMMENDATION</u> : No. This docket should remain open pending further proceedings.

DECISION: The recommendations were approved.

Commissioners participating: Deason, Bradley, Davidson

Minutes of  
Commission Conference  
April 15, 2003

<u>ITEM NO.</u>	<u>CASE</u>
16**Docket No.	020099-TP - Complaint of ALEC, Inc. d/b/a Volaris Telecom, Inc. for enforcement of interconnection agreement with Sprint-Florida, Incorporated and request for relief. (Deferred from January 21, 2003 conference; revised recommendation filed.)
	Critical Date(s): None
	Commissioners Assigned: Baez, Bradley Prehearing Officer: Baez
	Staff: GCL: Dodson, Knight CMP: T. Brown
	<u>ISSUE 1</u> : Should the Commission acknowledge ALEC, Inc. f/k/a Metrolink d/b/a Volaris Telecom, Inc.'s (ALEC) Dismissal of Complaint and close this docket? <u>RECOMMENDATION</u> : Yes. ALEC's voluntary dismissal divests the Commission of jurisdiction over this matter. The only further action the Commission should take is to acknowledge the dismissal. Since no further action remains for the Commission to address, this docket should be closed.
	<u>DECISION</u> : The recommendation was approved.
	Commissioners participating: Baez, Bradley