MINUTES OF

COMMISSION CONFERENCE, TUESDAY, JULY 11, 2000

COMMENCED: 9:30 a.m. **ADJOURNED:** 12:00 p.m.

COMMISSIONERS PARTICIPATING: Chairman Deason

Commissioner Clark Commissioner Jacobs Commissioner Jaber

1 Approval of Minutes

May 16, 2000, Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Deason, Clark, Jacobs, Jaber

2 Consent Agenda

A) Applications for certificates to

provide pay telephone service.

<u>DOCKET</u> <u>COMPANY NAME</u>

<u>NO.</u>

000674-TC Carl P McCormick and Susan S McCormick

d/b/a Suncoast Vending Services

000699-TC Timothy B. Kelly

B) Applications for certificates to

provide alternative local exchange telecommunications

service.

DOCKET NO. COMPANY NAME

000537-TX One Call Communications, Inc. d/b/a

Opticom, a Division of One Call

Communications, Inc.

000516-TX OnFiber Carrier Services, Inc.

000613-TX PatriotCom Inc.

000574-TX Broadband Digital Technologies, Inc.

2 Consent Agenda

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DOCKET NO.	<u>COMPANY NAME</u>
000583-TX	Net2000 Communications Services, Inc.
000641-TX	KMC Telecom V, Inc.
000417-TX	Basic Phone, Inc.
000499-TX	VCOM.COM Corporation
000673-TX	ATN, Inc. d/b/a AMTEL NETWORK, INC.
000324-TX	Sandhills Telecommunications Group, Inc.
000498-TX	Coral Telecom, Inc.
000507-TX	Speedy Reconnect, Inc.
000515-TX	Grande Communications Networks, Inc.
000603-TX	Intraco Systems, Inc.
000628-TX	OnePoint Services, L.L.C. d/b/a R.C.P. Services
000464-TX	Quantum Phone Communications, L.L.C.
C)	Applications for certificates to provide interexchange telecommunications service.
DOCKET NO.	COMPANY NAME
000416-TI	American Farm Bureau, Inc. d/b/a The Farm Bureau Connection
000503-TI	TeleCents Communications, Inc.
000517-TI	OnFiber Carrier Services, Inc.

000512-TI Telergy Network Services, Inc.

2 Consent Agenda

(Continued from previous page)

000302-TI USCarrier Telecom, LLC
000598-TI LD Exchange.com, Inc.
000535-TI Urban Media of Florida, Inc.

Docket No. 000645-TC - Request for cancellation of Pay Telephone Certificate No. 5465 held by Calls for Less, Inc. d/b/a CfL, and application for certificate to provide pay telephone service by CfL, L.L.C. d/b/a CfL Payphones.

E)

Docket No. 000675-TI - Request for cancellation of IXC

Certificate No. 3540 by Long

Distance International, Inc., effective 5/11/00.

F) Requests for approval of collocation agreements.

Docket No. 000617-TP -BellSouth Telecommunications, Inc. with Broadslate Networks of Florida, Inc. (Critical Date: 8/21/00)

Docket No. 000635-TP -BellSouth Telecommunications, Inc. with WinStar Wireless, Inc.

(Critical Date: 8/22/00)

G) Requests for approval of interconnection agreements.

Docket No. 000589-TP -BellSouth Telecommunications, Inc. with Teletouch Communications, Inc.

(Critical Date: 8/13/00)

Docket No. 000590-TP -BellSouth Telecommunications, Inc. with NPCR, Inc. d/b/a Nextel Partners

2 Consent Agenda

(Continued from previous page)

(Critical Date: 8/13/00)

Docket No. 000592-TP -BellSouth Telecommunications, Inc. with Radiofone, Inc.

(Critical Date: 8/14/00)

Docket No. 000593-TP -BellSouth Telecommunications, Inc. Baker's Electronics & Communications, Inc.

(Critical Date: 8/14/00)

Docket No. 000594-TP -BellSouth Telecommunications, Inc. with Satellink Paging, LLC.

(Critical Date: 8/14/00)

Docket No. 000595-TP -BellSouth Telecommunications, Inc. with PageMart Wireless, Inc.

(Critical Date: 8/14/00)

Docket No. 000596-TP -BellSouth Telecommunications, Inc. with Dave's Communications, Inc.

(Critical Date: 8/14/00)

Docket No. 000597-TP -BellSouth Telecommunications, Inc. with Gabriel Wireless, LLC.

(Critical Date: 8/14/00)

H) Docket No. 000605-TP - Petition by GTE Florida Incorporated for approval of supplemental interconnection agreement with Maxcess, Inc.

I) Requests for approval of interconnection, unbundling and resale agreements.

Docket No. 000620-TP -GTE Florida Incorporated with Gulf Coast Communications, Inc.

(Critical Date: 8/21/00)

Docket No. 000621-TP -GTE Florida Incorporated with USA Digital, Inc.

(Critical Date: 8/21/00)

Docket No. 000622-TP -GTE Florida Incorporated with Mpower Communications, Corp.

(Critical Date: 8/21/00)

2 Consent Agenda

(Continued from previous page)

J) Requests for approval of amendment to interconnection, unbundling and resale agreements.

Docket No. 000647-TP -GTE Florida Incorporated with Network Telephone Corporation.

(Critical Date: 8/24/00)

Docket No. 000658-TP -BellSouth Telecommunications, Inc. with Allegiance Telecom of Florida, Inc. (Critical Date: 8/24/00)

K) Requests for approval of
 interconnection, unbundling,
 resale and collocation

Docket No. 000618-TP -BellSouth Telecommunications, Inc. with Microsun Telecommunications, Inc.

agreements.

(Critical Date: 8/21/00)

Docket No. 000650-TP -BellSouth Telecommunications, Inc. with LightNetworks, Inc.

(Critical Date: 8/24/00)

Docket No. 000657-TP -BellSouth Telecommunications, Inc. with Empire Telecom Services, Inc. (Critical Date: 8/24/00)

L) Requests for approval of resale agreements.

Docket No. 000591-TP -ALLTEL Florida, Inc. with Phone-Link, Inc.

(Critical Date: 8/14/00)

Docket No. 000619-TP -GTE Florida Incorporated with Trans National Telecommunications, Inc.

(Critical Date: 8/21/00)

Docket No. 000648-TP -GTE Florida Incorporated with Telefyne Incorporated

(Critical Date: 8/24/00)

ITEM NO. CASE

2 Consent Agenda

(Continued from previous page)

M)

Requests for approval of transfer of control of an interexchange telecommunications company.

Docket No. 000609-TI - Joint petition for consent to transfer ownership and control of American Long Lines, Inc. (holder of IXC Certificate No. 4826) from Alan Widra and trusts for the benefit of certain of his family members to Teligent, Inc. (holder of IXC Certificate No. 4850).

Docket No. 000661-TI - Request for approval of transfer of control of Special Accounts Billing Group, Inc. (holder of IXC Certificate No. 5778) from current shareholder, Mr. James S. Grabowski, to Orion Technologies, Inc. through a merger with Globalinx Corporation, a subsidiary of Orion.

Docket No. 000607-TP - Request for approval of transfer of control of ATX Telecommunications Services (holder of IXC Certificate No. 2999) to CoreComm Limited, parent company of CoreComm Florida, Inc. (holder of ALEC Certificate No. 7386), with a proposed pro forma restructuring of CoreComm Limited.

N)

Docket No. 000465-TS Application for approval of
purchase of all assets and
controlling ownership interest
in Rifkin/Narragansett South
Florida CATV Limited Partnership
d/b/a CableVision Communications
(holder of STS Certificate No.
5247) by, and change in name on
Certificate No. 5247 to,
Interlink Communications
Partnership, LLC d/b/a Charter
Communications.

ITEM NO. CASE

2 Consent Agenda

(Continued from previous page)

0)

Docket No. 000453-TP - Request for approval of merger of Adelphia Business Solutions of Florida, LLC (holder of IXC Certificate No. 6055 and ALEC Certificate No. 6056) into Adelphia Business Solutions Investment, LLC, and name change on Certificates 6055 and 6056 to Adelphia Business Solutions Investment, LLC.

P)

Docket No. 000691-GU -Application of Atlantic Utilities, a Florida Division of Southern Union Company d/b/a South Florida Natural Gas for authority to issue and sell securities for the twelve month period beginning August 1, 2000, and ending July, 31, 2001. Company seeks approval pursuant to Chapter 25-8, Florida Administrative Code, and Section 366.04, Florida Statutes, for authority to issue and sell long-term debt and equity securities, as well as shortterm debt. The amount of all long-term debt and equity securities issued will not exceed \$1 billion. The Company also proposes to issue shortterm debt to be sold in the commercial market, the total amount of commercial paper not to exceed \$300 million.

ITEM NO. CASE

2 Consent Agenda

(Continued from previous page)

Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets, with the exception of Docket No. 000691-GU (Item No. 2(P)) which should remain open until Nov. 15, 2001, to allow the company time to file the required consummation report.

<u>DECISION</u>: The recommendation was approved with the modification that Docket No. 0000691-GU (Item P) was deferred.

ITEM NO. CASE

3

DOCKET NO. 000418-PU - Proposed amendments to Rules 25-6.0426 and 25-7.042, F.A.C., Recovery of Economic Development Expenses.

Critical Date(s): None

Rule Status: Proposed

Commissioners Assigned: Full Commission Prehrg Officer JB

Staff: APP: Helton

CMP: Brown

ECR: Draper, Hewitt, Revell

LEG: Elias

<u>Issue 1</u>: Should the Commission propose amendments to Rules 25-6.0426, F.A.C., and 25-7.042, F.A.C., both entitled "Recovery of Economic Development Expenses"? <u>Recommendation</u>: Yes. The Commission should propose the rule amendments attached to staff's June 26, 2000, memorandum.

Issue 2: Should this docket be closed?
Recommendation: Yes. If no requests for hearing or
comments are filed, the rule amendments as proposed
should be filed for adoption with the Secretary of State
and the docket closed.

DECISION: The recommendations were approved.

ITEM NO. CASE

4

DOCKET NO. 991471-TC - Initiation of show cause proceedings against J and L Communications for violation of Rules 25-4.043, F.A.C., Response to Commission Staff Inquiries, and 25-24.515(9)(a), (12), and (18), F.A.C., Pay Telephone Service.

DOCKET NO. 000004-TC - Request for cancellation of Pay Telephone Certificate No. 3353 held by J and L Communications, and application for certificate to provide pay telephone service by Alacrity Communications, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: CMP: Isler

LEG: Stern, K. Peña, B. Keating

<u>Issue 1</u>: Should the Commission accept the settlement proposed by J and L Communications to resolve Show Cause Order No. PSC-99-2343-SC-TC?

Recommendation: Yes. The Commission should accept the company's settlement proposal to pay \$2,800.00 in six installments. The first installment of \$466.67 should be received by the Commission within ten business days from the date of the Commission Order. The next four installments of \$466.67 each and the last installment of \$466.65 should be received by the Commission by the last working day of each month following receipt of the first installment. Any contribution should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If the company fails to pay in accordance with the terms of the Commission Order, or if staff's recommendation on Issue 2 is approved the company's certificate should be canceled administratively.

<u>Issue 2</u>: Should the Commission cancel Pay Telephone Certificate No. 3353 in the name of J and L

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DOCKET NO. 991471-TC - Initiation of show cause proceedings against J and L Communications for violation of Rules 25-4.043, F.A.C., Response to Commission Staff Inquiries, and 25-24.515(9)(a), (12), and (18), F.A.C., Pay Telephone Service.

DOCKET NO. 000004-TC - Request for cancellation of Pay Telephone Certificate No. 3353 held by J and L Communications, and application for certificate to provide pay telephone service by Alacrity Communications, Inc.

(Continued from previous page)

Communications and approve the application for a new certificate in the name of Alacrity Communications, Inc.? Recommendation: Yes. J and L Communications' Certificate No. 3353 should be canceled and the application for Pay Telephone Certificate No. 7518 in the name of Alacrity Communications, Inc. should be granted. Certificate No. 3353 will be canceled on the effective date of Certificate No. 7518 to avoid interruption of service. Certificate No. 7518, in the name of Alacrity Communications, Inc., will become effective when an order consummating the cancellation of the old certificate and the granting of the new certificate is issued. addition, both J and L Communications and Alacrity Communications, Inc. will be mailed a Regulatory Assessment Fee return for the year 2000. Neither the cancellation of J and L Communications' certificate nor the failure to receive the Regulatory Assessment Fee notice for the year 2000 shall relieve either company from its obligation to pay the fees for the year 2000. In addition, if the settlement proposed in Issue 1 is not paid as outlined, then the certificate effective at the time of the default should be canceled administratively. Is<u>sue 3</u>: Should Dockets Nos. 991471-TC and 000004-TC be closed?

Recommendation: Yes. If the Commission approves staff's recommendation on Issue 1, Docket No. 991471-TC should be closed upon receipt of the final installment of the \$2,800 contribution or cancellation of the certificate. If the Commission approves staff's recommendation on Issue 2, the proposed agency action will become final

ITEM NO. CASE

4

DOCKET NO. 991471-TC - Initiation of show cause proceedings against J and L Communications for violation of Rules 25-4.043, F.A.C., Response to Commission Staff Inquiries, and 25-24.515(9)(a), (12), and (18), F.A.C., Pay Telephone Service.

DOCKET NO. 000004-TC - Request for cancellation of Pay Telephone Certificate No. 3353 held by J and L Communications, and application for certificate to provide pay telephone service by Alacrity Communications, Inc.

(Continued from previous page)

upon issuance of a consummating order, and Docket No. 000004-TC should be closed, 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 on Issue 2. If the Commission denies staff's recommendation on Issue 1, Docket No. 991471-TC should remain open to resolve the show cause issues. If the Commission denies staff's recommendation on Issue 2, Docket No. 000004-TC should be closed upon issuance of a consummating order.

DECISION: The recommendations were approved.

ITEM NO. CASE

5

DOCKET NO. 992013-TC - Cancellation by Florida Public Service Commission of Pay Telephone Service Certificate No. 5381 issued to Bestel, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Critical Date(s): None

Commissioners Assigned: Full Commission Prehrg Officer ADM

Staff: CMP: Isler

LEG: K. Peña, B. Keating

Should the Commission accept the settlement offer proposed by Bestel, Inc. to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies? Recommendation: No. The Commission should not accept Bestel, Inc.'s settlement offer, which proposed to pay a \$500 contribution and future regulatory assessment fees on a timely basis. In addition, Order No. PSC-00-0859-PAA-TC proposing to cancel Bestel, Inc.'s certificate should be rendered a Final Order. If the company fails to pay with a cashier's check or money order in full the required 1998 and 1999 regulatory assessment fees, including statutory penalty and interest charges, the returned check service charges, and \$1,000 fine within five business days of the issuance of the Order from this recommendation, Bestel's Certificate No. 5381 should be canceled in accordance with Order No. PSC-00-0859-PAA-TC. If the fine is paid, it should be remitted to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund.

<u>Issue 2</u>: Should this docket be closed?

<u>Recommendation</u>: Yes. If the Commission approves staff's recommendation on Issue 1, this docket should be closed upon receipt of the required 1998 and 1999 regulatory assessment fees, including statutory penalty and interest charges, the returned check service charges, and \$1,000 fine, or cancellation of the certificate.

ITEM NO. CASE

5

DOCKET NO. 992013-TC - Cancellation by Florida Public Service Commission of Pay Telephone Service Certificate No. 5381 issued to Bestel, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

(Continued from previous page)

DECISION: The recommendations were approved.

ITEM NO. CASE

6

DOCKET NO. 000585-TI - Cancellation by Florida Public Service Commission of Interexchange Telecommunications Certificate No. 3993 issued to Pantel Communications, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: CMP: Isler LEG: Banks

administratively.

Should the Commission grant Pantel Communications, Inc.'s request for a voluntary cancellation of IXC Certificate No. 3993? Recommendation: No. The Commission should not grant the company a voluntary cancellation of its IXC certificate. The Commission should cancel the company's IXC Certificate No. 3993 on its own motion, effective on the date of issuance of the Consummating Order. <u>Issue 2</u>: Should this docket be closed? Recommendation: Yes. If the Commission approves or modifies staff's recommendation on Issue 1, this docket should be closed upon receipt of the fees or cancellation of the certificate, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of issuance of the proposed agency action order. If the Commission denies staff's recommendation on Issue 1, this docket should be closed

<u>DECISION</u>: The recommendations were approved with the clarification that uncollected RAFs will be referred to the Comptroller's office for collection.

ITEM NO. CASE

7

DOCKET NO. 000601-TP - Request by Southeastern Services, Inc. for termination of rural LEC exemption of Northeast Florida Telephone Company, Inc., pursuant to 47 U.S.C. 251 (f) (1) (B) of the Telecommunications Act of 1996.

Critical Date(s): None

Commissioners Assigned: Full Commission Prehrg Officer JC

Staff: CMP: Marsh LEG: Banks

<u>Issue 1</u>: Should the Commission acknowledge Southeastern's withdrawal of its Petition and close this docket?

Recommendation: Yes. The Commission should acknowledge Southeastern's withdrawal of its request to eliminate Northeast's status as a rural carrier under Section 251(f)(1) of the Act. With the withdrawal of Southeastern's request, no other action will remain for the Commission to address; therefore, this docket should be closed.

<u>DECISION</u>: The recommendation was approved.

ITEM NO. CASE

8

DOCKET NO. 000634-GU - Petition for approval of late payment charge by Atlantic Utilities, a Florida Division of Southern Union Company d/b/a South Florida Natural Gas.

Critical Date(s): 7/24/00 (60-day suspension date)

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: CMP: Makin, Bulecza-Banks

ECR: L. Romig LEG: Isaac

Issue 1: Should the Commission approve Southern Union Company d/b/a South Florida Natural Gas' (South Florida or Company) petition for revision of its natural gas tariff to include a provision for a late payment charge? Recommendation: Yes. The Commission should approve South Florida's petition for a revision to its natural gas tariff to include a provision for a late payment charge. Prior to implementation, South Florida should provide a thirty-day advance notice to its customers. A sample of the notice should be submitted to the Commission's Division of Competitive Services for approval prior to implementation.

<u>Issue 2</u>: What is the effective date of the proposed tariff change?

<u>Recommendation</u>: The effective date of the proposed tariff change should be thirty days after the Commission vote.

<u>Issue 3</u>: Should this docket be closed?

<u>Recommendation</u>: Yes. If no protest is filed within 21 days of issuance of the order, this docket should be closed upon issuance of a Consummating Order.

DECISION: The recommendations were approved.

ITEM NO. CASE

9

DOCKET NO. 000376-TL - Request for temporary waiver of physical collocation requirements in the Miami Palmetto Central Office by BellSouth Telecommunications, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission

Prehrg Officer JB

Staff: CMP: T. Watts

LEG: Fordham

<u>Issue 1</u>: Should BellSouth's Request for Temporary Waiver of Physical Collocation Requirements in the Miami Palmetto central office be granted?

Recommendation: Yes. BellSouth's Request for Temporary Waiver of Physical Collocation Requirements in the Miami Palmetto central office should be granted until June 30, 2002.

Issue 2: Should this docket be closed?

<u>Recommendation</u>: Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed.

DECISION: The recommendations were approved.

10

DOCKET NO. 000733-TL - Investigation to determine whether BellSouth Telecommunications, Inc.'s tariff filing to restructure its late payment charge is in violation of Section 364.051, F.S.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: CMP: Audu, Simmons LEG: B. Keating

<u>Issue 1</u>: Should the Commission find that BST's GST filing of July 9, 1999, to restructure its late payment penalties is in violation of Section 364.051(6)(a), Florida Statutes?

Recommendation: Yes. The Commission should find that BST's GST filing of July 9, 1999, to restructure its late payment penalties is in violation of Section 364.051(6)(a), Florida Statutes, and should therefore be canceled immediately. Also, the Commission should require BST to provide refunds to all affected customers within 90 days of issuance of the Consummating Order. Further, staff recommends that BST should file a report with the Commission upon completion of this refund showing monies that were collected from and refunded to customers.

Issue 2: Should this docket be closed?
Recommendation: No. If no person whose substantial
interests are affected files a protest within 21 days of
the issuance date of the Order, the Order will become
final upon issuance of a Consummating Order. If a timely
protest is not filed, the docket should remain open
pending completion by BellSouth of the refund within 90
days of issuance of the Consummating Order. Upon

ITEM NO. CASE

10

DOCKET NO. 000733-TL - Investigation to determine whether BellSouth Telecommunications, Inc.'s tariff filing to restructure its late payment charge is in violation of Section 364.051, F.S.

(Continued from previous page)

notification that the refund has been completed, this docket should be closed administratively. If a timely protest is filed, the tariff should remain in effect pending the outcome of further proceedings, with any revenues collected held subject to refund.

<u>DECISION</u>: The recommendations were approved with the modification that the order should be issued as proposed agency action. The tariff is deemed invalid but will remain in effect for 30 days to allow the company to file a new tariff consistent with the Commission's decision, or to request a hearing with the understanding that refunds will be due if deemed appropriate.

ITEM NO. CASE

11

DOCKET NO. 000013-EI - Petition by Tampa Electric Company for approval of pilot program to implement seasonal fuel factors.

Critical Date(s): None

Commissioners Assigned: Full Commission

Prehrg Officer ADM

Staff: ECR: Draper, Ging

LEG: C. Keating

Issue 1: Should this docket be closed?

Recommendation: Yes.

DECISION: The recommendation was approved.

ITEM NO. CASE

12

DOCKET NO. 000298-EI - Petition by Florida Power & Light Company for approval of proposed revisions to curtailable service tariff.

Critical Date(s): 11/8/00 (8-month effective date)

Commissioners Assigned: Full Commission

Prehrg Officer ADM

Staff: ECR: Wheeler

LEG: Isaac

<u>Issue 1</u>: Should the Commission approve Florida Power & Light Company's proposed revisions to its curtailable rate schedules?

Recommendation: Yes.

Issue 2: What is the appropriate effective date for the

revised tariffs?

Recommendation: The revised tariffs should become

effective July 11, 2000.

Issue 3: Should this docket be closed?

Recommendation: Yes, if no protest is filed within 21

days of issuance of the order.

DECISION: The recommendations were approved.

ITEM NO. CASE

13

DOCKET NO. 000248-WS - Tariff revision for payment of charges for reconnection, reimbursement for extra expenses, and payment of charges for off-hour service connection in Martin County by Indiantown Company, Inc.

Critical Date(s): 4/11/00 (60-day suspension date)

Commissioners Assigned: Full Commission
Prehrg Officer DS

Staff: ECR: Kaproth
LEG: Christensen

<u>Issue 1</u>: Should the utility's proposed revised tariff sheets filed on June 14, 2000, which require payments be made in person at the service company's business office during regular business hours and the revised premises visit charge (in lieu of disconnection) be approved?

<u>Recommendation</u>: Yes. The utility's proposed tariff to require that payments be made in person at the service company's business office during regular business hours

and the revised premises visit charge (in lieu of disconnection) should be approved.

Issue 2: Should this docket be closed?
Recommendation: Yes. If no protest is filed by a
substantially affected person within 21 days, this docket
should be closed upon issuance of a consummating order.
If a timely protest is filed, the tariff should remain in
effect pending the resolution of the protest.

DECISION: The recommendations were approved.

14

DOCKET NO. 000737-WS - Investigation of rates of Aloha Utilities, Inc. in Pasco County for possible overearnings for the Aloha Gardens water and wastewater systems and the Seven Springs water system.

Critical Date(s): None

Commissioners Assigned: Full Commission Prehrg Officer CL

Staff: ECR: Draper, Fletcher, Maurey, Merchant

LEG: Fudge, Jaeger

<u>Issue 1</u>: Should the Commission initiate an overearnings investigation of the utility's Aloha Gardens water and wastewater systems and the Seven Springs water system? <u>Recommendation</u>: Yes. The Commission should initiate an overearnings investigation of the utility's Aloha Gardens water and wastewater systems and its Seven Springs water system.

Issue 2: Should any amount of annual water and
wastewater revenues be held subject to refund?
Recommendation: Yes. Aloha should hold the following
amounts subject to refund:

<u>System</u>	Test Year Revenues	Amount Subject <u>To Refund</u>	% Subject <u>To Refund</u>
Aloha Gardens Water	\$519,976	\$133,977	25.77%
Aloha Gardens Wastewater	\$1,001,716	\$84,076	8.39%
Seven Springs Water	\$1,723,085	\$52,378	3.04%

Issue 3: What is the appropriate security to guarantee
the amount subject to refund?

Recommendation: A corporate undertaking in the amount of \$161,140 guaranteed by Aloha, shall be accepted as security. Further, an accurate and detailed account of all monies received should be kept by the utility. By no later than the twentieth (20th) day of each month, the utility shall file a report showing the amount of revenues collected each month subject to refund. Should

ITEM NO. CASE

14

DOCKET NO. 000737-WS - Investigation of rates of Aloha Utilities, Inc. in Pasco County for possible overearnings for the Aloha Gardens water and wastewater systems and the Seven Springs water system.

(Continued from previous page)

a refund be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code. In no instance shall maintenance and administrative costs associated with any refund be borne by the customers. These costs are the responsibility of, and should be borne by the utility. Issue 4: Should this docket be closed?

Recommendation: No. This docket should remain open pending staff's investigation of the utility's earnings for 1999.

DECISION: The recommendations were approved.