

**MINUTES OF JUNE 14, 2005**  
**COMMISSION CONFERENCE**  
**COMMENCED:** 9:30 A.M.  
**ADJOURNED:** 9:35 A.M.

**COMMISSIONERS PARTICIPATING:** Chairman Baez  
Commissioner Deason  
Commissioner Bradley  
Commissioner Edgar

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

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1Approval of Minutes  
May 17, 2005 Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Baez, Deason, Bradley, Edgar

Minutes of  
Commission Conference  
June 14, 2005

ITEM NO. CASE  
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2\*\*Consent Agenda

PAA                    A) Request for cancellation of shared tenant service certificate.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>EFFECTIVE DATE</u>
050360-TS	Corporate Offices At Phillips Point, Inc.	4/5/2005

RECOMMENDATION: The Commission should approve the action requested in the docket referenced above and close this docket.

DECISION: The recommendation was approved.

Commissioners participating: Baez, Deason, Bradley, Edgar

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3Docket No. 041017-TI - Revisions to intrastate interexchange telecommunications company rules in Chapters 25-4 and 25-24, F.A.C., to reflect 2003 statutory changes.

Critical Date(s): None

Rule Status: Adoption

Commissioners Assigned: All Commissioners

Prehearing Officer: Deason

Staff: GCL: Stern  
CMP: Pruitt, Watts  
ECR: Hewitt

Issue 1: Should the Commission adopt the revisions to Rules 25-24.455, 25-24.474, 25-24.480, and 25-24.600 that are shown in Attachment 1 of staff's June 2, 2005 memorandum, and that were made to address comments from JAPC?

Recommendation: Yes.

Issue 2: Should the rule be filed for adoption with the Secretary of State and the docket be closed?

Recommendation: Yes. After a Notice of Change is published in the Florida Administrative Weekly, the rule should be filed for adoption with the Secretary of State 21 days thereafter and the docket may be closed.

DECISION: The recommendations were approved.

Commissioners participating: Baez, Deason, Bradley, Edgar

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4Docket No. 041338-TP - Joint petition by ITC^DeltaCom Communications, Inc. d/b/a ITC^DeltaCom d/b/a Grapevine; Birch Telecom of the South, Inc. d/b/a Birch Telecom and d/b/a Birch; DIECA Communications, Inc. d/b/a Covad Communications Company; Florida Digital Network, Inc.; LecStar Telecom, Inc.; MCI Communications, Inc.; and Network Telephone Corporation (“Joint CLECs”) for generic proceeding to set rates, terms, and conditions for hot cuts and batch hot cuts for UNE-P to UNE-L conversions and for retail to UNE-L conversions in BellSouth Telecommunications, Inc. service area. Docket No. 040301-TP - Complaint of Supra Telecommunications and Information Systems, Inc. against BellSouth Telecommunications, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners  
Prehearing Officer: Bradley

Staff: GCL: Banks, Susac  
CMP: Vinson, Dowds, Harvey

Issue 1: Should the Commission grant FDN Communications' request for oral argument regarding its Motion for Reconsideration of the Order Establishing Procedure, or in the alternative, Motion to Establish True-Up?

Recommendation: Yes. Because this matter has not yet been to hearing and the questions presented are somewhat unique, staff recommends that the Commission entertain oral presentations from the parties. The length of such presentations is at the Commission's discretion. Staff recommends that they be limited to 10 minutes per party.

Issue 2: Should the Commission grant FDN's Motion for Reconsideration of the Order Establishing Procedure?

Recommendation: No. FDN has not demonstrated that when addressing the procedural schedule in this docket, the Prehearing Officer overlooked a point of fact or law in rendering the Order Establishing Procedure, Order No. PSC-05-0433-PCO-TP, issued April 20, 2005.

Issue 3: Should the Commission grant FDN's Motion to Establish True-Up?

Recommendation: No. Staff recommends that the Commission deny FDN's Motion to Establish True-Up. If the Commission denies staff on Issue 2, this issue becomes moot.

Issue 4: Should these dockets be closed?

Recommendation: No. Whether or not the Commission denies staff on Issues 2 or 3, staff recommends these dockets should remain open pending the resolution of the issues set for hearing.

DECISION: This item was deferred.

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5\*\*Docket No. 040489-TP - Emergency complaint seeking order requiring BellSouth Telecommunications, Inc. and Verizon Florida Inc. to continue to honor existing interconnection obligations, by XO Florida, Inc. and Allegiance Telecom of Florida, Inc. (collectively, Joint CLECs).  
Docket No. 040520-TP - Emergency petition seeking order requiring BellSouth Telecommunications, Inc. and Verizon Florida Inc. to continue to honor existing interconnection obligations, by the Florida Competitive Carriers Association, AT&T Communications of the Southern States, LLC, MCI metro Access Transmission Services, LLC, and MCI WorldCom Communications, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners  
Prehearing Officer: Deason

Staff: GCL: Teitzman  
CMP: Lee, Dowds

Issue 1: Should the Commission acknowledge XO and Allegiance's Notice of Voluntary Dismissal of their Emergency Complaint in Docket No. 040489-TP, and CompSouth, AT&T and MCI's Notice of Voluntary Dismissal of their Emergency Petition in Docket No. 040520-TP?

Recommendation: Yes. The Commission should acknowledge XO and Allegiance's Notice of Voluntary Dismissal of their Emergency Complaint in Docket No. 040489-TP, and CompSouth, AT&T and MCI's Notice of Voluntary Dismissal in Docket No. 040520-TP. In addition, the Commission should find that the voluntary dismissals render any and all outstanding motions moot.

Issue 2: Should these dockets be closed?

Recommendation: Yes. There is nothing further in these dockets for this Commission to consider, and the dockets should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Baez, Deason, Bradley, Edgar

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6\*\*Docket No. 991222-TP - Request for submission of proposals for relay service, beginning in June 2000, for the hearing and speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Deason

Staff: CMP: Moses, Casey

GCL: Rojas

Issue 1: Should this docket be closed?

Recommendation: Yes. The contract with Sprint under this docket expired on May 31, 2005. The relay system is now being provided under docket number 040763-TP effective June 1, 2005. No further action is necessary in this docket; therefore, staff recommends that the Commission close the docket.

DECISION: The recommendation was approved.

Commissioners participating: Baez, Deason, Bradley, Edgar

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7Docket No. 041272-EI - Petition for approval of storm cost recovery clause for recovery of extraordinary expenditures related to Hurricanes Charley, Frances, Jeanne, and Ivan, by Progress Energy Florida, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Baez

Staff: ECR: Fletcher, Ballinger, Breman, Colson, Greene, Kaproth, Kummer, McNulty, Maurey, Rendell, Revell, Romig, Slemkewicz, Wheeler, Willis

GCL: Brubaker, Rodan

DECISION: This item was deferred.

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8Docket No. 041414-EI - Petition for approval of long-term fuel supply and transportation contracts for Hines Unit 4 and additional system supply and transportation, by Progress Energy Florida, Inc.

Critical Date(s): 6/15/05 (Progress Energy Florida, Inc. has requested a decision by this date.)

Commissioners Assigned: All Commissioners  
Prehearing Officer: Bradley

Staff: ECR: Bohrmann, Harlow, Lester, McNulty, Sickel, VonFossen  
GCL: Vining

Issue 1: Did Progress Energy Florida (PEF) adequately solicit potential natural gas providers to provide fuel to the Hines Unit 4 generating unit?

Recommendation: Yes. PEF adequately solicited both natural gas supply and transportation providers for its long-term fuel needs for Hines Unit 4.

Issue 2: Is the proposal contemplated in PEF's petition the most cost-effective option considering price and non-price factors?

Recommendation: Yes. The BG/Cypress/FGT contracts are the most cost-effective option for supplying natural gas to Hines Unit 4, considering all price and non-price factors at this time. While the Bahamas-based option appears to be the least-cost alternative, it was reasonable for PEF to eliminate this option due to the significant uncertainty associated with the in-service date of the project. There is sufficient certainty that the Cypress/FGT pipelines can meet the needs of Hines Unit 4 both in quantity and timeliness. PEF estimates that the proposed BG/Cypress/FGT contracts will be slightly more costly than a Gulf of Mexico-based alternative. However, the BG/Cypress/FGT contracts offer geographic advantages for PEF and its ratepayers due to the increase in operational flexibility and supply diversity.

Issue 3: Is the 20-year term of the contracts contemplated in PEF's petition appropriate?

Recommendation: Yes.

Issue 4: Based on the resolution of the foregoing issues, should the Commission grant PEF's petition?

Recommendation: Yes. Staff recommends that Commission approve PEF's long-term supply and transportation contracts. The delivered cost and volumes of re-gasified LNG specified in PEF's contracts, as well as the contracts' terms and conditions, appear reasonable for planning purposes. PEF will present the costs incurred under the three contracts for recovery through the fuel and purchased power cost recovery clause on an annual basis. Staff recommends that the Commission permit recovery of these costs subject to a finding that PEF has managed the contracts in a reasonable and prudent manner.



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Docket No. 041414-EI - Petition for approval of long-term fuel supply and transportation contracts for Hines Unit 4 and additional system supply and transportation, by Progress Energy Florida, Inc.

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Issue 5: Should this docket be closed?

Recommendation: The docket should be closed after the time for filing an appeal has run.

DECISION: The recommendations were approved.

Commissioners participating: Baez, Deason, Bradley, Edgar