

MINUTES OF
COMMISSION CONFERENCE, JUNE 25, 2001
COMMENCED: 9:30 a.m.
ADJOURNED: 4:00 p.m.

COMMISSIONERS PARTICIPATING: Chairman Jacobs
Commissioner Deason
Commissioner Jaber
Commissioner Baez
Commissioner Palecki

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

1 Approval of Minutes
May 15, 2001 Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

2** Consent Agenda

A) Requests for approval of resale agreements.

DOCKET NO.	COMPANY NAME	CRITICAL DATE
010712-TP	BellSouth Telecommunications, Inc.; BudgeTel Systems, Inc.	08/07/01
010713-TP	BellSouth Telecommunications, Inc.; Sun-Tel USA, Inc.	08/07/01

B) Request for approval of interconnection, unbundling, and resale agreement.

DOCKET NO.	COMPANY NAME	CRITICAL DATE
010475-TP	Premiere Network Services, Inc.; Sprint-Florida, Incorporated	07/11/01

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C) Request for approval of interconnection, unbundling, resale, and collocation agreement.

DOCKET NO.	COMPANY NAME	CRITICAL DATE
010710-TP	BellSouth Telecommunications, Inc.; U.S. South Communications, Inc.	08/07/01

D) Request for approval of resale and amendment No. One to resale agreement.

DOCKET NO.	COMPANY NAME	CRITICAL DATE
010741-TP	Sandhills Telecommunications Group, Inc.; Sprint-Florida, Incorporated	08/09/01

E) Request for approval of resale, agreement and amendment to change name.

DOCKET NO.	COMPANY NAME	CRITICAL DATE
010714-TP	BellSouth Telecommunications, Inc.; Qwest Communications Services	08/07/01

F) Request for approval of two amendments to interconnection,

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unbundling, resale, and
 collocation agreement.

<u>DOCKET NO</u>	<u>COMPANY NAME</u>	<u>CRITICAL DATE</u>
010408-TP	BellSouth Telecommunications, Inc.; KMC Telecom, Inc.; KMC Telecom II, Inc., KMC Telecom III, Inc. And KMC Telecom V, Inc.	07/05/01

G) Request for approval of supplemental agreement No. 2 to amend terms to provide for additional collocation services agreement.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>CRITICAL DATE</u>
010737-TP	Verizon Advanced Data Inc.; Verizon Florida Inc.	08/09/01

PAA H) Request for 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. & LOCATION</u>
010800-TC	BellSouth Public Communications, Inc.	305-935-6821 Bagel Cove Restaurant & Deli 19003 Biscayne Blvd. Aventura

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2**	Consent Agenda (Continued from previous page)
PAA	I) Applications for certificates to provide alternative local exchange telecommunications service.
	010188-TX New Connects, Inc.
	010535-TX Globcom, Inc.
	010705-TX Palm Beach Community College
	010756-TX Bluewater Communications Corporation
	010751-TX Global Dialtone, Inc.
	010655-TX BridgeCom International, Inc.
	010754-TX Universal Beepers Express, Inc. d/b/a Universal Wireless
	010750-TX Miketronics, Inc.
	010786-TX US Telecom Services, Inc.

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2**	Consent Agenda (Continued from previous page)
PAA	J) Applications for certificates to provide interexchange telecommunications service.
	010536-TI Globcom, Inc.
	010628-TI ACCXX Communications, LLC
	010757-TI Bluewater Communications Corporation
	010755-TI Telis Communications Group, Inc.
	010578-TI Long Distance Consolidated Billing Co.
	010688-TI Y & B Services Corporation d/b/a Plastigol Miami and d/b/a Orbitel USA
	010749-TI Miketronics, Inc.

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

DOCKET NO.	COMPANY NAME
010778-TC	Larry Perruzza
010780-TC	MLV Communications, Inc.
010785-TC	Kenneth Thomas Collins
010788-TC	Spoli Investments, Inc. d/b/a Pinecastle Care Center
010793-TC	Digital Imaging & Graphics, Inc.
010758-TC	Dan Polk and Tami Polk
010673-TC	TFT Foundation, Inc.

PAA L) Request for cancellation of interexchange telecommunications certificate.

DOCKET NO.	COMPANY NAME	CERT. NO.	EFFECTIVE DATE
010700-TI	Telstar International, Inc. d/b/a Telstar Long Distance, Inc.	5278	09/26/01

PAA M) DOCKET NO. 010753-TP - Request for cancellation of UniversalCom Inc.'s IXC Certificate No. 3174 and ALEC Certificate No. 4096 by NewSouth Communications Corp., effective 5/8/01.

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2**		Consent Agenda (Continued from previous page)
PAA	N)	DOCKET NO. 010817-TP - Request for cancellation of ALEC Certificate No. 7771 and IXC Certificate No. 7772 by Digital Access Communications of Florida, Inc., effective 5/30/01.
PAA	O)	DOCKET NO. 010617-TP - Notification of corporate restructuring whereby LCI International Telecom Corp. d/b/a Qwest Communications Services (holder of IXC Certificate No. 2300 and ALEC Certificate No. 4440) and Phoenix Network, Inc. (holder of IXC Certificate No. 2479) will be merged into Qwest Communications Corporation (holder of IXC Certificate No. 3534 and ALEC Certificate No. 5801) and Certificates 2300, 4440, and 2479 will be canceled; and whereby USLD Communications Corp., which is a direct, wholly owned subsidiary of LCI International, Inc., and of which USLD Communications, Inc. (holder of IXC Certificate No. 2469 and ALEC Certificate No. 5158) is a direct, wholly owned subsidiary, will merge downstream into USLD Communications, Inc., with USLD Communications, Inc. becoming the surviving corporation and a direct, wholly owned subsidiary of LCI International, Inc.

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

DECISION: The recommendation was approved.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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3**PAA

DOCKET NO. 010634-TL - Elimination of certain reporting requirements for incumbent local exchange telecommunications companies.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: CMP: Bloom, Simmons
LEG: Knight

ISSUE 1: Should the Commission eliminate the requirement for ILECs to file quarterly Contract Service Arrangement reports with the Commission?

RECOMMENDATION: Yes. The Commission should eliminate the requirement for ILECs to file quarterly Contract Service Arrangement reports.

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: Jacobs, Deason, Jaber, Baez, Palecki

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4**

DOCKET NO. 010614-TL - Petition by BellSouth Telecommunications, Inc. for order directing North American Numbering Plan Administration (NANPA) to duplicate certain Central Office Codes (NXX codes) in new 386 NPA in connection with 904/386 NPA split ordered by Florida Public Service Commission for northeast portion of Florida.

DOCKET NO. 990517-TL - Request for review of proposed numbering plan relief for the 904 area code.

Critical Date(s): None

Commissioners Assigned: Full Commission (010614-TL)
Prehrg Officer ADM
JC DS BZ (990517-TL)
Prehrg Officer DS

Staff: CMP: Ileri
LEG: Helton

(Although a panel is assigned to Docket No. 990517-TL, the Full Commission should vote on the issues herein.)

ISSUE 1: Should the Commission approve BellSouth's petition to direct NANPA to duplicate five of BellSouth's specific 904 NXX codes in the 386 area code?

RECOMMENDATION: No. Staff recommends that the Commission deny BellSouth's petition to direct NANPA to duplicate five of BellSouth's service specific 904 NXX codes in the 386 area code. However, staff recommends that the Commission extend the permissive dialing period of only the 386 area code for the 203, 204, 440, 780, and 930 NXXs for approximately one year to enable BellSouth to make the necessary translational changes to its network, notice customers, and print the new service numbers in the phone books.

ISSUE 2: Should these dockets be closed?

RECOMMENDATION: If the Commission approves staff's recommendation in Issue 1, these dockets should be closed.

DECISION: The recommendations were approved with a modification to Issue 1 that BellSouth may duplicate 5 NXXs in the 386 area code

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until 3/31/03; BellSouth must petition the Commission to extend this date if necessary for any of the NXXs.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki
5**PAA DOCKET NO. 010824-GU - Request for extension of time until June 30, 2001 to file 2000 Annual Report required by Rule 25-7.135, F.A.C., by St. Joe Natural Gas Company, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: ECR: Slemkewicz
LEG: Walker

ISSUE 1: Should the Commission grant St. Joe Natural Gas Company, Inc.'s (St. Joe) request for an extension of time, until June 30, 2001, to file its Annual Report?

RECOMMENDATION: Yes. The Commission should grant St. Joe's request for an extension to June 30, 2001, to file its Annual Report.

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: The recommendations were approved.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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6**

DOCKET NO. 010443-EI - Petition for approval of Wireless Internet Service (WIS-1) Rate and Service Agreement by Florida Power & Light Company.

Critical Date(s): 6/4/01 (60-day suspension date)
12/5/01 (8-month effective date)

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: ECR: E. Draper
LEG: Hart

ISSUE 1: Should the Commission approve FPL's proposed new WIS-1 rate and agreement?

RECOMMENDATION: Yes. The proposed tariff should be approved.

ISSUE 2: What is the appropriate effective date for FPL's proposed WIS-1 tariff?

RECOMMENDATION: The appropriate effective date for FPL's proposed WIS-1 tariff is June 25, 2001.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: Yes, If no protest is filed within 21 days of the issuance of the order.

DECISION: The recommendations were approved with a modification to Issue 1 that the name of the service be changed to Wireless Internet Electric Service, a change which the company voluntarily agreed to.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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7**

DOCKET NO. 010384-EI - Petition for approval of revised tariff sheets that contain updated Underground Residential Distribution (URD) charges based on differential between cost of overhead and underground facilities installed to provide residential service in typical low and high density subdivision layouts by Florida Power Corporation.

Critical Date(s): 60-day suspension date waived by
Florida Power Corporation
12/2/01 (8-month effective date)

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: ECR: E. Draper, Springer
LEG: Stern
SER: Breman

ISSUE 1: Should the Commission approve FPC's updated tariff sheets and charges associated with the installation of underground electric distribution facilities?

RECOMMENDATION: Yes.

ISSUE 2: What is the appropriate effective date for FPC's updated tariff sheets and charges associated with the installation of underground electric distribution facilities?

RECOMMENDATION: The appropriate effective date for FPC's updated tariff sheets and charges associated with the installation of underground electric distribution facilities is June 25, 2001.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: If a protest is filed within 21 days of the issuance of the Commission order approving this tariff, the tariff should remain in effect pending resolution of the protest, with any charges held subject to refund. If no protest is filed, this docket should be closed upon the issuance of a Consummating Order.

DECISION: The recommendations were approved.

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7**

DOCKET NO. 010384-EI - Petition for approval of revised tariff sheets that contain updated Underground Residential Distribution (URD) charges based on differential between cost of overhead and underground facilities installed to provide residential service in typical low and high density subdivision layouts by Florida Power Corporation.

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Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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8**

DOCKET NO. 010386-EI - Petition for approval of 2001 revisions to underground residential distribution tariff by Florida Power & Light Company.

Critical Date(s): 60-day suspension date waived by Florida Power & Light Company
12/2/01 (8-month effective date)

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: ECR: E. Draper, Springer
LEG: Stern
RGO: Yambor
SER: Breman

ISSUE 1: Should the Commission approve FPL's updated tariff sheets and charges associated with the installation of underground electric distribution facilities?

RECOMMENDATION: Yes.

ISSUE 2: What is the appropriate effective date for FPL's updated tariff sheets and charges associated with the installation of underground electric distribution facilities?

RECOMMENDATION: The appropriate effective date for FPL's updated tariff sheets and charges associated with the installation of underground electric distribution facilities is June 25, 2001.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: If a protest is filed within 21 days of the issuance of the Commission order approving this tariff, the tariff should remain in effect pending resolution of the protest, with any charges held subject to refund. If no protest is filed, this docket should be closed upon the issuance of a Consummating Order.

DECISION: The recommendations were approved with a clarification to Issue 1 concerning fuel costs made at the conference.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

ITEM NO.

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9**

DOCKET NO. 010190-TI - Initiation of show cause proceedings against Network Plus, Inc. d/b/a Hale and Father, Inc. for apparent violation of Rule 25-22.032(5)(a), F.A.C., Customer Complaints.

DOCKET NO. 010191-TX - Initiation of show cause proceedings against Network Plus, Inc. d/b/a Hale and Father, Inc. for apparent violation of Rule 25-22.032(5)(a), F.A.C., Customer Complaints.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: LEG: Banks, Elliott
CAF: Lowery
CMP: K. Craig

ISSUE 1: Should the Commission accept the settlement offer proposed by Network Plus, Inc. d/b/a Hale and Father, Inc. (Hale and Father) to resolve the show cause proceedings for its apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints?

RECOMMENDATION: Yes. Staff recommends that the Commission accept Hale and Father's settlement proposal of a \$7,500 voluntary contribution and assurance that the company will implement measures to ensure future compliance. The voluntary contribution should be received by the Commission within ten business days of the issuance date of an Order approving the settlement offer and should include the docket numbers and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund. If the company fails to pay in accordance with the terms of the Commission Order, Certificates Nos. 2994 and 5711 should be canceled administratively.

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9**

DOCKET NO. 010190.TI - Initiation of show cause proceedings against Network Plus, Inc. d/b/a Hale and Father, Inc. for apparent violation of Rule 25-22.032(5)(a), F.A.C., Customer Complaints.
DOCKET NO. 010191-TX - Initiation of show cause proceedings against Network Plus, Inc. d/b/a Hale and Father, Inc. for apparent violation of Rule 25-22.032(5)(a), F.A.C., Customer Complaints.

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ISSUE 2: Should these dockets be closed?

RECOMMENDATION: No. If the Commission approves staff's recommendation on Issue 1, these dockets should remain open pending remittance of the \$7,500 voluntary contribution. Upon staff's verification of receipt of the voluntary contribution, or failure to pay the contribution and subsequent cancellation of Certificates Nos. 2994 and 5711, these dockets should be administratively closed.

DECISION: The recommendations were approved.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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10**PAA

DOCKET NO. 010385-WU - Petition for variance from or waiver of Rule 25-30.110(3) and (6), F.A.C., Annual Reports, by Gem Estates Utilities, Inc. in Pasco County.

Critical Date(s): 6/27/01 (90-day statutory deadline)

Commissioners Assigned: Full Commission
Prehrg Officer DS

Staff: LEG: Brubaker
ECR: Peacock

ISSUE 1: Should the Commission grant Gem Estates Utilities, Inc.'s petition for waiver of Rule 25-30.110(3), Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should grant Gem Estates Utilities, Inc.'s petition for waiver of Rule 25-30.110(3), Florida Administrative Code, because the petition meets the requirements of Section 120.542, Florida Statutes.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. This docket should be closed upon issuance of a Consummating Order if no person whose interests are substantially affected by the proposed action files a protest within the 21-day protest period.

DECISION: The recommendations were approved.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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CASE

11**

DOCKET NO. 010831-TL - Request by Sprint-Florida, Incorporated for approval of tariff filing to increase rates for basic and nonbasic services pursuant to Section 364.051, F.S.

Critical Date(s): 7/1/01 (30-day effective date)

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: RGO: Daniel, Gilchrist
CMP: Simmons
LEG: B. Keating, Fordham

ISSUE 1: Should the Sprint-Florida, Incorporated tariff filing requesting to increase its rates for basic and nonbasic services, pursuant to Chapter 364.051 (3) and (5), Florida Statutes, be rejected?

PRIMARY RECOMMENDATION: Yes. The filing exceeds the allowed increase for basic service under Section 364.051(3), Florida Statutes.

ALTERNATIVE RECOMMENDATION: No. On a composite basis, the filing does not exceed the allowed increase for basic service under Section 364.051(3), Florida Statutes.

ISSUE 2: Should Sprint's proposed effective date for basic and nonbasic tariffs of July 1, 2001, with customer bills reflecting the changes effective with the individual customer's applicable July billing date be accepted?

RECOMMENDATION: No. If the Commission approves the primary recommendation in Issue 1, this issue is moot. However, if the Commission approves the alternative recommendation in Issue 1, the rate increase proposed by Sprint for its basic and nonbasic service should be acknowledged, effective July 1, 2001, and customer bills should be prorated as necessary to implement all rate increases and decreases effective July 1, 2001.

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11**

DOCKET NO. 010831-TL - Request by Sprint-Florida, Incorporated for approval of tariff filing to increase rates for basic and nonbasic services pursuant to Section 364.051, F.S.

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ISSUE 3: Should this docket be closed?

RECOMMENDATION: Yes. If the Commission accepts staff's primary recommendation in Issue 1, the docket should be closed upon the expiration of the period for reconsideration and appeal. If the Commission accepts staff's alternative recommendation in Issue 1, the docket should be closed upon issuance of the order since the Commission would have found the tariffs consistent with the statute, and thus the filing would be going into effect by operation of law.

DECISION: The recommendations were approved. The alternative recommendation in Issue 1 was denied. Based on the decision in Issue 1, there was no vote taken on Issue 2.

Commissioner Jaber dissented.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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12**PAA

DOCKET NO. 000545-WS - Application for original certificates to operate a water and wastewater utility in Pasco County by Labrador Services, Inc.

Critical Date(s): 7/2/01 (90-day statutory deadline for an original certificate)

Commissioners Assigned: Full Commission
Prehrg Officer JC

Staff: RGO: Brady, Walden
LEG: Brubaker

ISSUE 1: Should the Commission order the utility to show cause, in writing within 21 days, why it should not be fined for operating water and wastewater utilities without certificates of authorization in apparent violation of Chapter 367.031, Florida Statutes?

RECOMMENDATION: No. Show cause proceedings should not be initiated.

ISSUE 2: Should the application of Labrador Services, Inc. for water and wastewater certificates be granted?

RECOMMENDATION: Yes. Labrador should be granted Certificate No. 616-W and Certificate No. 530-S to serve the territory described in Attachment A of staff's memorandum dated June 13, 2001.

ISSUE 3: What rates and charges should be approved for Labrador Services, Inc.?

RECOMMENDATION: The utility's existing flat rates for water and wastewater service for the MH Park and the RV Resort should be approved based on the allocation set forth in the staff analysis portion of staff's recommendation until the utility's first rate proceeding. The utility should be put on notice that, at the time of its next rate proceeding, all meters will be required to be installed and in compliance with Part III, Rule 25-30, Florida Administrative Code, and appropriate base facility charges and usage rates will be established by the Commission. The utility should also be allowed to charge the standard miscellaneous charges specified in staff's analysis. Customer deposits and service availability charges should not be authorized at this

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12**PAA

DOCKET NO. 000545-WS - Application for original certificates to operate a water and wastewater utility in Pasco County by Labrador Services, Inc.

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time. The utility should be required to perform regular billing or file for a waiver of Rule 25-30.335(1), Florida Administrative Code, within 60 days from the date of the order resulting from this recommendation. The utility has filed proposed water and wastewater tariffs. The effective date of the utility's rates and charges should be the stamped approval date of the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code.

ISSUE 4: Should Labrador be ordered to show cause, in writing within 21 days, why it should not be fined for failure to file its 2000 annual report in apparent violation of Rule 25-30.110, Florida Administrative Code?

RECOMMENDATION: No. Show cause proceedings should not be initiated at this time. Staff further recommends that the penalties set forth in Rule 25-30.110(7), Florida Administrative Code, should not be assessed. However, Labrador should be required to file its 2000 annual report by October 1, 2001. If Labrador fails to do so, staff will bring a show cause recommendation at that time. Moreover, the utility should be put on notice that penalties, if assessed, continue to accrue until such time as the annual report is filed and that the annual report must comply with Rule 25-30.110, Florida Administrative Code, including compliance with the National Association of Regulatory Utility Commissioners Uniform System of Accounts (NARUC USOA), which requires the use of original costs to report the cost of the utility's assets when it was first dedicated to public service.

ISSUE 5: Should Labrador be ordered to show cause, in writing within 21 days, why it should not be fined for failure to timely pay RAFs for 2000, in apparent violation of Sections 350.113(3)(e) and 367.145, Florida Statutes, and Rule 25-30.120(1), Florida Administrative Code?

RECOMMENDATION: No. Show cause proceedings should not be initiated at this time. However, Labrador should be

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12**PAA

DOCKET NO. 000545-WS - Application for original certificates to operate a water and wastewater utility in Pasco County by Labrador Services, Inc.

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required to remit RAFs in the amount of \$8,721.00 for 2000 by October 1, 2001, along with a statutory penalty in the amount of \$2,180.25 and \$610.47 in interest, for its failure to timely pay its 2000 RAFs. If Labrador fails to do so, staff will bring a show cause recommendation at that time. In addition, the utility should be put on notice that interest continues to accrue until such time as the 2000 RAFs are remitted.

ISSUE 6: Should the Commission acknowledge the Co-op's withdrawal of its March 15, 2001, complaint against Labrador for apparent violation of Rule 25-30.355(1), Florida Administrative Code?

RECOMMENDATION: Yes.

ISSUE 7: Should this docket be closed?

RECOMMENDATION: No. If no timely protest is received to the proposed agency action issue, upon the expiration of the protest period a Consummating Order should be issued. The docket should remain open pending receipt of the utility's 2000 annual report and 2000 RAFs including penalties and interest. Upon receipt and verification of the annual report and RAFs, the docket should be administratively closed.

DECISION: The recommendations were approved with statements of clarification made by staff at the conference.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

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12A**

DOCKET NO. 010827-EI - Petition by Gulf Power Company for approval of purchased power arrangement regarding Smith Unit 3 for cost recovery through recovery clauses dealing with purchased capacity and purchased energy.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehrg Officer ADM

Staff: SER: Harlow, Woodall
LEG: Stern, Elias

ISSUE 1: Should Gulf Power Company's (Gulf) Motion for Expedited Treatment and Request for Procedural Schedule regarding Docket No. 010827-EI be approved?

RECOMMENDATION: No. Staff recommends that an October hearing would: 1) allow interested persons a reasonable period of time to prepare for hearing; 2) allow adequate time for the necessary discovery; 3) address Gulf's concerns; and, 4) provide time for Gulf to complete negotiations with Southern Power. Setting a schedule with a hearing in the October time frame does not preclude a settlement or disposition by Proposed Agency Action if the parties reach agreement or if it appears that the issues have been resolved.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. This docket should not be closed.

DECISION: The recommendations were approved with the modification to Issue 1 that Gulf Power Company's motion was granted in part and denied in part. The motion as to specific dates was denied; it was approved that a prehearing officer be appointed as soon as possible and the matter of expediting the docket be explored by staff on an expedited basis.

Commissioners participating: Jacobs, Deason, Jaber, Baez, Palecki

ITEM NO.

CASE

13

DOCKET NO. 991220-TP - Petition by Global NAPS, Inc. for arbitration of interconnection rates, terms and conditions and related relief of proposed agreement with BellSouth Telecommunications, Inc.

Critical Date(s): Statutory time-frame to conclude arbitration waived by the parties.

Commissioners Assigned: JC DS JB
Prehrg Officer JC

Staff: CMP: Hinton, Dowds, Fulwood, King
LEG: B. Keating
PAI: Ollila

ISSUE 1: Should the Commission grant the parties' Joint Motion For Extension of Time?

RECOMMENDATION: Yes. Allowing the parties additional time to file their agreement will not prejudice any party to this proceeding.

ISSUE 2: Should the Commission incorporate language in the final interconnection agreement for the disputed issues identified by the parties that were not considered in the arbitration proceeding?

RECOMMENDATION: No. The Commission should not incorporate language in the arbitrated agreement for disputed issues that were not part of the arbitration proceeding.

ISSUE 3: Should the Commission approve the interconnection agreement between Global NAPs and BellSouth filed in accordance with Order No. PSC-01-0762-FOF-TP and Order No. PSC-00-1680-FOF-TP, on May 25, 2001?

RECOMMENDATION: No. The Commission should not approve the final interconnection agreement between Global NAPs and BellSouth filed on May 25, 2001.

ISSUE 4: Should this Docket be closed?

RECOMMENDATION: No. If the Commission approves staff's recommendations in Issues 1, 2, and 3, this docket should remain open in order that parties may file a final interconnection agreement. The parties should be required to file this final interconnection agreement within 30 days of the issuance of the Commission's order.

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DECISION: The recommendations were approved.

Commissioners participating: Jacobs, Deason, Jaber
14** DOCKET NO. 990455-TL - Request for review of proposed
numbering plan relief for the 305/786 area code - Dade
County and Monroe County/Keys Region. (Issue deferred
from the June 12, 2001 Commission Conference; revised
recommendation filed.)

Critical Date(s): 7/1/02 (exhaust date for the 305 area
code)

Commissioners Assigned: JC DS BZ
Prehrg Officer DS

Staff: CMP: Ileri
LEG: Fordham

ISSUE 1: Should the Commission establish implementation
dates for the 305/786 NPAs?

RECOMMENDATION: Yes. Staff recommends that the
Commission establish the permissive dialing period for 7-
or 10-digit local dialing beginning on ~~August 1, 2001~~
September 1, 2001, with the mandatory 10-digit dialing
period beginning on Monday, February 4, 2002.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. Staff recommends that this docket
should remain open pending the implementation of rate
center consolidation and number pooling in the Keys, as
well the implementation of overlay relief plan in the
305/786 NPAs.

DECISION: The recommendations were approved with the noted
modification. The decision regarding the effective date for the
mandatory 10-digit dialing period was deferred to a later
Commission Conference.

Commissioners participating: Jacobs, Deason, Baez

ITEM NO.

CASE

14A**PAA

DOCKET NO. 981147-WS - Investigation into potential overearnings in Highlands County by Highlands Ridge Associates, Inc.

Critical Date(s): None

Commissioners Assigned: DS BZ PL
Prehrg Officer BZ

Staff: ECR: Lingo
LEG: Brubaker
RGO: Rieger

(All issues proposed agency action except Issue 12.)

ISSUE 1: What is the quality of service rendered to the customers of the utility?

RECOMMENDATION: The quality of service provided to the customers is satisfactory.

ISSUE 2: What portions of water and wastewater plants-in-service are used and useful?

RECOMMENDATION: The water treatment plant should be considered 68% used and useful and the distribution system should be considered 92% used and useful. The wastewater treatment plant should be considered 34% used and useful and the wastewater collection system should be considered 92% used and useful.

ISSUE 3: What is the appropriate average amount of rate base for the water and wastewater systems, respectively?

RECOMMENDATION: The appropriate average amount of rate base is \$85,056 for the water system and \$51,128 for the wastewater system.

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

RECOMMENDATION: The appropriate rate of return on equity is 9.94% with a range of 8.94% - 10.94% and the appropriate overall rate of return is 9.00%.

ISSUE 5: What are the test year revenues for the water and wastewater systems, respectively?

RECOMMENDATION: The test year revenues are \$123,027 for the water system and \$109,122 for the wastewater system.

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CASE

14A**PAA

DOCKET NO. 981147-WS - Investigation into potential overearnings in Highlands County by Highlands Ridge Associates, Inc.

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ISSUE 6: Should a pro forma allowance for a pilot conservation program be included in operation and maintenance expenses, and, if so, what is the appropriate amount?

RECOMMENDATION: Yes, a pro forma allowance for a pilot conservation program in the amount of \$11,000 should be included in operation and maintenance expenses. The conservation program should conform to the specifications discussed in the Staff Analysis and on pages 2 and 3 of Attachment A to staff's June 18, 2001 memorandum. The Commission should require the utility to file quarterly reports with the Commission on its conservation program for two years following initiation of the conservation program. These reports, to begin within three months of the issuance of the Consummating Order, should list the conservation measures that were implemented during the period and the amounts expended. Staff should confer with the SWFWMD in reviewing the reports in order to evaluate the effectiveness of the program and ensure that the program and amounts spent are consistent with the Commission order. Moreover, to monitor the effects of the conservation programs on consumption, the utility should be ordered to prepare monthly reports detailing the number of bills rendered, the consumption billed and the revenue billed. These reports should be provided, by customer class and meter size, on a quarterly basis for a period of two years, beginning with the first billing period after the initial conservation program monies are expended.

ISSUE 7: What are the test year amounts of operating expenses for the water and wastewater systems?

RECOMMENDATION: The test year amounts of operating expenses are \$110,961 for the water system and \$108,161 for the wastewater system.

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CASE

14A**PAA

DOCKET NO. 981147-WS - Investigation into potential overearnings in Highlands County by Highlands Ridge Associates, Inc.

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ISSUE 8: What is the appropriate amount of test year net operating income (loss) before any revenue increase or decrease for the respective systems?

RECOMMENDATION: The appropriate amount of test year net operating income (loss) before any revenue increase or decrease is \$12,066 for the water system and \$961 for the wastewater system.

ISSUE 9: What are the appropriate revenue requirements for the water and wastewater systems, respectively?

RECOMMENDATION: The appropriate revenue requirements are \$118,408 for the water system and \$112,934 for the wastewater system.

ISSUE 10: What is the appropriate rate structure for this utility for water and wastewater service?

RECOMMENDATION: The appropriate rate structure for water and wastewater service is a continuation of the traditional base facility and uniform gallonage charge rate structure. The utility should be ordered to file a rate restructuring case with the Commission no earlier than one year but no later than two years after the implementation of the utility's conservation program, at which time the rate structure issue should be revisited.

ISSUE 11: Should the utility's service availability charges be revised, and, if so, how?

RECOMMENDATION: Yes, the utility's service availability charges should be discontinued. However, the meter installation charges as reflected in the water system's tariff should be continued. If approved, the utility should be required to file revised tariff sheets within thirty days of the issuance date of the Consummating Order which are consistent with the Commission's vote. Staff should be given administrative authority to approve the revised tariff sheets upon staff's verification that the tariffs are consistent with the Commission's decision. If the revised tariff sheets are filed and approved, the discontinued service availability charges should become effective for connections made on or after

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CASE

14A**PAA

DOCKET NO. 981147-WS - Investigation into potential overearnings in Highlands County by Highlands Ridge Associates, Inc.

(Continued from previous page)

the stamped approval date of the revised tariff sheets pursuant to Rule 25-30.475(2), Florida Administrative Code.

ISSUE 12: Should this docket be closed and the letters of credit be released?

RECOMMENDATION: No. This docket should not be closed, but the letters of credit should be released. If no timely protest is received upon expiration of the protest period, the PAA Order will become final upon the issuance of the Consummating Order. However, this docket should remain open for an additional three months from the effective date of the Order to allow staff to verify that the utility has begun implementation of the pilot conservation program recommended in Issue 6. Once staff has verified that this work has been completed, the docket should be closed administratively.

DECISION: The recommendations were approved.

Commissioners participating: Deason, Baez, Palecki

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Commission Conference
June 25, 2001

ITEM NO.

CASE

15**

DOCKET NO. 991666-WU - Application for amendment of Certificate No. 106-W to add territory in Lake County by Florida Water Services Corporation.

Critical Date(s): None

Commissioners Assigned: JB BZ PL
Prehrg Officer BZ

Staff: LEG: Christensen
RGO: Redemann

ISSUE 1: Should the City of Groveland's Motion Requesting Oral Argument be granted?

RECOMMENDATION: Staff recommends that no ruling is necessary on the City of Groveland's Motion Requesting Oral Argument because parties and other interested persons may participate at the Agenda Conference.

ISSUE 2: Should Florida Water Services Corporation's Motion for Summary Final Order be granted?

RECOMMENDATION: No. Florida Water Services Corporation's Motion for Summary Final Order should be denied and the matter should proceed to hearing, as scheduled.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: No. Staff recommends that this docket should remain open pending resolution of FWSC's application for amendment of Certificate No. 106-W to add territory in Lake County.

DECISION: The recommendations were approved. There was no vote taken on Issue 1.

Commissioners participating: Jaber, Baez, Palecki

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