

MINUTES OF MAY 31, 2005
COMMISSION CONFERENCE
COMMENCED: 10:00 a.m.
ADJOURNED: 10:50 a.m.

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

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

1 Approval of Minutes
May 3, 2005 Regular Commission Conference

DECISION: The minutes were approved.

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

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ITEM NO. CASE

2**Consent Agenda

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

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
050221-TC	Speed Power Communications, Inc.
050311-TC	Nationwide Payphone Services, L.L.C.

PAA B) Request for cancellation of alternative access vendor certificate.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>EFFECTIVE DATE</u>
050258-TA	Columbia Telecommunications, Inc. d/b/a axessa	4/14/2005

PAA C) Request for cancellation of competitive local exchange telecommunications certificate.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>EFFECTIVE DATE</u>
050290-TX	University Club Communications, LLC	3/7/2005

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

DECISION: The recommendation was approved.

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

ITEM NO.

CASE

3**Docket No. 031125-TP - Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telcom LLC.
Docket No. 040488-TP - Complaint of BellSouth Telecommunications, Inc. against IDS Telcom LLC to enforce interconnection agreement deposit requirements.
Docket No. 040611-TP - Request for approval of amendment to interconnection, unbundling, resale, and collocation agreement between IDS Telcom LLC and BellSouth Telecommunications, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners
Prehearing Officer: Deason (031125-TP, 040488-TP)
Administrative (040611-TP)

Staff: GCL: Rojas, Fordham
CMP: Barrett
RCA: Vandiver

Issue 1: Should the Commission grant the Joint Motions for Dismissal With Prejudice filed by IDS and BellSouth?

Recommendation: Yes. The Commission should grant the Joint Motions for Dismissal With Prejudice filed by IDS and BellSouth. In addition, the Commission should find that the voluntary Dismissal renders any and all outstanding motions moot, and all documents filed under claim of confidentiality should be returned to the filing party. Therefore, these Dockets should be closed.

DECISION: The recommendation was approved.

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

ITEM NO.

CASE

4**Docket No. 040732-TP - Complaint against BellSouth Telecommunications, Inc. seeking resolution of monetary dispute regarding alleged overbilling under interconnection agreement, and requesting stay to prohibit any discontinuance of service pending resolution of matter, by Saturn Telecommunications Services, Inc. d/b/a STS Telecom.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Davidson

Staff: GCL: Fordham

CMP: King

Issue 1: Should the Commission grant BellSouth's Motion to Strike STS's Response to BellSouth's Motion for Summary Final Order?

Recommendation: Yes. The Commission should grant BellSouth's Motion to Strike STS's Response to BellSouth's Motion for Summary Final Order. If the Commission approves staff's recommendation, staff believes this renders STS's Emergency Motion to File Supplemental Response moot.

Issue 2: Should the Commission grant BellSouth's Motion for Summary Final Order?

Recommendation: Yes. The Commission should grant BellSouth's Motion for Summary Final Order. If the Motion is granted, BellSouth should be allowed to disconnect STS for non-payment if STS fails to render the amount due within 30 days following issuance of the Commission's Order from this recommendation, unless some other payment plan is agreed upon by the parties. If the Commission grants BellSouth's Motion, staff recommends that STS's Motion for Summary Final Order on BellSouth's Counterclaim is rendered moot.

Issue 3: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendations in Issues 1 and 2, this docket should be closed.

DECISION: This item was deferred.

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ITEM NO.

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5**Docket No. 031132-TP - Petition for suspension of or for stay of effective date of BellSouth Telecommunications, Inc.'s 2004 Key Customer Promotional tariff filing of December 17, 2003, by Florida Digital Network, Inc. d/b/a FDN Communications, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Deason

Staff: CMP: Barrett

GCL: Banks

Issue 1: Should the Commission grant the Joint Motion Seeking Approval of the Stipulation dated May 4, 2005?

Recommendation: Yes. The Commission should grant the Joint Motion Seeking Approval of the Stipulation dated May 4, 2005.

Issue 2: Should this docket be closed?

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

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

6**PAADocket No. 050294-TL - Petition for waiver of Order PSC-96-0012-FOF-TL to consolidate number of non-basic service categories by Verizon Florida Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Simmons

GCL: Susac

Issue 1: Should the Commission grant Verizon's Petition for Waiver of Order No. PSC-96-0012-FOF-TL and reduce the number of non-basic service categories from ten (10) to five (5)?

Recommendation: Yes. The Commission should grant Verizon's Petition for Waiver of Order No. PSC-96-0012-FOF-TL and reduce the number of non-basic service categories from ten (10) to five (5) for Verizon.

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: Baez, Deason, Bradley, Davidson, Edgar

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ITEM NO.

CASE

7**Docket No. 041419-TX - Compliance investigation of Talk and Pay, Inc. for apparent violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Scott

Issue 1: Should the Commission accept the settlement offer proposed by Talk and Pay, Inc. to resolve the apparent violation of Section 364.336, Florida Statutes?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Yes. Staff recommends that if the Commission approves staff's recommendation in Issue 1, this docket should be closed as no other issues need to be addressed by the Commission.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

8**PAADocket No. 050237-TI - Acknowledgment of cancellation of IXC Registration No. TJ758
by Better World Telecom, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Scott

Issue 1: Should the Commission deny Better World Telecom, Inc.'s request for a voluntary cancellation and instead cancel IXC Registration No. TJ758 on the Commission's own motion with an effective date of March 15, 2005?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Staff recommends that the Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), Florida Statutes, any issues not in dispute should be deemed stipulated. If the company fails to timely file a protest and to request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted and the right to a hearing waived. If the company fails to pay the Regulatory Assessment Fees, including statutory late payment charges, within fourteen (14) calendar days after the issuance of the Consummating Order, the company's tariff should be cancelled administratively, its name removed from the register, and the collection of the past due Regulatory Assessment Fees, including statutory late payment charges, should be referred to the Florida Department of Financial Services for further collection efforts. If the company's tariff is cancelled and its name removed from the register in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing intrastate interexchange telecommunications service in Florida. This docket should be closed administratively either upon receipt of the payment of the Regulatory Assessment Fees, including statutory late payment charges, or upon cancellation of the company's tariff and removal from the register.

DECISION: The recommendations were approved.

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

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9**PAADocket No. 050288-TX - Bankruptcy cancellation by Florida Public Service Commission of CLEC Certificate No. 7333 issued to Asset Channels-Telecom, Inc., effective April 11, 2005.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Scott

Issue 1: Should the Commission grant Asset Channels-Telecom, Inc. cancellation of its CLEC Certificate No. 7333 with an effective date of April 11, 2005, due to bankruptcy; notify the Division of the Commission Clerk and Administrative Services that any unpaid Regulatory Assessment Fees, including statutory late payment charges, should not be sent to the Florida Department of Financial Services and request permission to write off the uncollectible amounts; and require the company to immediately cease and desist providing competitive local exchange service in Florida?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Yes, if no protest is filed and upon issuance of a Consummating Order.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

10**Docket No. 050321-EM - Approval of initial electric tariffs for City of Winter Park Electric Utility.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Kummer, Wheeler

GCL: Brown

Issue 1: Should the Commission approve the electric tariffs filed by the City of Winter Park Municipal Utility?

Recommendation: Yes. The tariffs comply with Parts IV and V of Chapter 25-9, Florida Administrative Code, and should be approved.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the tariffs are approved, there is no further action necessary at this time.

DECISION: The recommendations were approved.

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

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ITEM NO.

CASE

11**Docket No. 050226-EI - Petition for approval of 2005 revisions to underground residential and commercial distribution tariff, by Florida Power & Light Company.

Critical Date(s): 5/31/05 (60-day suspension date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Draper, Breman

GCL: Brown

Issue 1: Should FPL's proposed underground residential and commercial distribution tariffs and their associated charges be suspended?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: No.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

12**Docket No. 050244-EI - Request to establish charge for customers paying by credit card, debit card or electronic check, by Florida Public Utilities Company.

Critical Date(s): 6/3/05 (60-day suspension date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Baxter

GCL: Jaeger

Issue 1: Should the Commission grant FPUC's petition for approval of its proposed service charge for customers paying their monthly electric bill by credit card, debit card, or electronic check?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Yes. If issue 1 is approved, this tariff should become effective on June 1, 2005. If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

13**PAADocket No. 050225-EI - Joint petition of Office of Public Counsel, Florida Industrial Power Users Group, and Tampa Electric Company for approval of stipulation and settlement as full and complete resolution of any and all matters and issues which might be addressed in connection with matters regarding effects of Hurricanes Charley, Frances, and Jeanne on Tampa Electric Company's Accumulated Provision for Property Insurance, Account No. 228.1.

Critical Date(s): None

Commissioners Assigned: All Commissioners
Prehearing Officer: Administrative

Staff: ECR: Slemkewicz
GCL: Brubaker

Issue 1: Should the Commission approve the Stipulation and Settlement?

Recommendation: Yes. The Commission should approve the Stipulation and Settlement.

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: Baez, Deason, Bradley, Davidson, Edgar

ITEM NO.

CASE

14**PAADocket No. 050058-EI - Request to exclude December 26, 2004 outage event from annual distribution service reliability report by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ECR: McNulty, Breman, Lee

GCL: C. Keating

Issue 1: Should the Commission approve TECO's petition to exclude from its 2004 Annual Distribution Service Reliability Report 88 outage events that occurred due to a wind event on December 26, 2004?

Recommendation: No. TECO has not demonstrated that the outages on December 26, 2004, were not within its control and that it could not reasonably have prevented the outages because (1) sustained wind speeds in TECO's service area did not exceed industry construction standards and (2) TECO maintains control over its tree-to-power line clearance practices and can adjust those practices if it believes wind-related outages are excessive. If, however, the Commission approves the petition, for ongoing comparative purposes TECO should show the effects of including and excluding the wind-caused outages in a revised 2004 Annual Distribution Service Reliability Report.

Issue 2: Should this docket be closed?

Recommendation: Yes. 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.

DECISION: This item was deferred.

ITEM NO.

CASE

15**PAADocket No. 050060-EI - Request to exclude December 26, 2004 outage event from annual distribution service reliability report by Progress Energy Florida, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ECR: McNulty, Breman, Lee

GCL: C. Keating

Issue 1: Should the Commission approve PEFI's petition to exclude from its 2004 Annual Distribution Service Reliability Report 346 outage events that occurred due to a wind event on December 26, 2004?

Recommendation: No. PEFI has not demonstrated that the outages on December 26, 2004, were not within its control and that it could not have reasonably prevented the outages because (1) sustained wind speeds in PEFI's service area did not exceed industry construction standards and (2) PEFI maintains control over its tree-to-power line clearance practices and can adjust those practices if it believes wind-related outages are excessive. If, however, the Commission approves the petition, for ongoing comparative purposes PEFI should show the effects of including and excluding the wind-caused outages in a revised 2004 Annual Distribution Service Reliability Report.

Issue 2: Should this docket be closed?

Recommendation: Yes. 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.

DECISION: This item was deferred.

ITEM NO.

CASE

16 Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

Critical Date(s): 6/6/05 (Pursuant to Section 120.569(2)(1), decision must be rendered by this date.)

Commissioners Assigned: All Commissioners

Prehearing Officer: Bradley

Staff: ECR: Kummer, Daniel, Walden, Jenkins

GCL: Jaeger, Helton

Issue 1: Should the reference to sulfide in "finished water" in the proposed agency action order be stated as a maximum contaminant level for total sulfides of 0.1 mg per liter of delivered water at the point of its entry into the domestic system at the domestic meter?

Recommendation: No. The reference to sulfide in the "finished water" of 0.1 mg/L should be stated as a goal with specific actions to be taken if that goal is not consistently reached. Attainment of the goal should be determined by testing Aloha's water for total sulfides at the utility's plant sites and at the selected bacteriological test sites (field sites). The goal for the plant sites should be 0.1 mg/L of total sulfides. When Aloha begins to purchase water from the County, the County water should be tested for total sulfides in the same manner as all test sites, and the goal for the bacteriological field test sites should be the higher of the total sulfides level in the County water or 0.1 mg/L of total sulfides in the water. By Order No. PSC-02-0593-FOF-WU, issued April 30, 2002, in this docket, Aloha's quality of service was found to be unsatisfactory. Staff recommends that failure to substantially obtain the goal of 0.1 mg/L of total sulfides in the finished water (or the higher level of the County if the purchased County water has a higher level) should constitute continued provision of unsatisfactory quality of service which is not in the public interest. Staff also recommends that the Commission put Aloha on notice that meeting the goal does not relieve Aloha from ultimately addressing the black and smelly water complaints. In addition, the Commission should retain the option to take additional action as appropriate in the future to address customer complaints, even if Aloha is meeting the 0.1 mg/L goal.

Issue 2: Should the improvements be such that sulfide present in raw water or generated during treatment and transmission be removed, not converted, to a level not to exceed 0.1 mg/L in finished water delivered at the point of entry into the domestic system?

Primary Recommendation: No. Consistent with past Commission decisions, the Commission should not order a specific treatment methodology, including specifying removal versus conversion. The hydrogen peroxide treatment or other upgrade proposed

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Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

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by Aloha should be given a chance to work. However, if the utility opts for a treatment which converts rather than removes total sulfides, it should provide to the PSC within 60 days of issuance of the final order on this recommendation, an analysis on elemental sulfur filtration options as described in the Primary Analysis in staff's May 19, 2005 memorandum.

Alternate Recommendation: No. Removal (versus conversion) of total sulfides should not be required immediately. The hydrogen peroxide or other conversion methodology should be given a chance to work. However, by November 1, 2006, Aloha should be required to complete the engineering design and permitting for a process to remove hydrogen sulfides at Wells 8 and 9 so that construction can begin expeditiously, if needed. If the oxidation method chosen by Aloha does not reduce the level of verifiable about smelly or black water occurrences to an uncommon occurrence by November 1, 2006, Aloha should be required to initiate the construction needed to have a hydrogen sulfide removal process placed in service by November 1, 2007.

Aloha should be required to file monthly reports beginning in October 2005, on: (1) The use of hydrogen peroxide, (2) The number of customer smelly or black water complaints and any verification of those complaints by Aloha, and (3) a timetable for the engineering design, permitting, and, if to be built, construction of a hydrogen sulfide removal process for Wells 8 and 9.

Issue 3: Should compliance with such requirements be determined based upon samples taken at least once a month at a minimum of two sites at domestic meters most distant from each of the multiple treatment facilities with such sites rotated to provide the greatest likelihood of detecting any departure from the maximum levels permitted?

Recommendation: No. As recommended in Issue 2, Aloha should test the finished water for compliance with the goal as it first enters the distribution system after it has been treated at the plant sites, and at field (bacteriological) sites which are distributed throughout the utility's service area. Aloha should also test at the point of interconnection with Pasco County for benchmarking purposes.

Monthly testing should be required for all plant sites and field sites as described in Issue 1, for three months, beginning November 2005. Quarterly testing should then be required for the plant and field sites, beginning February 2006, unless a plant or field site test exceeds the goal. If a plant or field site test exceeds the goal, it should be retested monthly until the site achieves the goal for three consecutive months. When Aloha begins purchasing water from Pasco County, the interconnection site should be tested monthly. All field tests should be performed by a commercial laboratory during the first

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five business days of each testing period. All field tests for total sulfides should be conducted prior to any flushing that is to be conducted for that day.

All of the plant sites should be tested during each testing period. The field test sites should be divided into three groups of ten, and one group of ten sites should be tested during each testing period. Any retesting of a field site, resulting from the site exceeding the goal, will not count in the requirement to test ten field sites unless it is in its normal rotation. At least six of the ten field site tests should be taken south of the intersection of Mitchell Ranch Road and State Road 54. No field site should be used more than twice in any three consecutive testing periods (unless it is a retest for a prior failure).

By October 1, 2005, Aloha should be required to provide a list identifying the field sites to be included in each of the three groups of 10 field sites and a map identifying the field sites by test group. By the last business day of November and December 2005, January and February 2006, and each subsequent quarter (May, August, November, etc.), Aloha should file a report on the results of all tests performed during that testing period, including retests. The report should include the dates, specific location of each test site, and total sulfide levels found for each test site. For all quarterly reports beginning May 2006, Aloha should also provide the same information for any retest sites that may have occurred in the intervening two months since the last quarterly report. In addition, if a plant or field site test exceeded the goal, the report should include an analysis of the possible causes for exceeding the goal at each site, and any remedial action taken or proposed to be taken by Aloha to reduce the level of total sulfides at that site to the level prescribed by the goal. All reports should be filed with the Commission's Division of Commission Clerk and Administrative Services in this docket.

Issue 4: Does the Commission have the authority to regulate, impose, or establish drinking water standards, maximum contaminant levels, action levels, or treatment technique requirements?

Recommendation: The Commission has the authority to approve the actions recommended by staff in Issues 1-3. While there may be some question about whether the Commission can or should establish drinking water standards or maximum contaminant levels, staff believes that there is no question but that the Commission has jurisdiction over the quality of service provided by a utility and can require the utility to take specific actions to improve the quality of service. See, Sections 367.011, 367.081(2), 367.111(2), and 367.121(1)(a), (c) and (d), Florida Statutes. Also, Staff notes that the Commission has already ordered the utility to take specific actions to improve the quality of service when it issued the Final Order in this case, and that Final Order was per curiam affirmed.

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CASE

16

Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

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DECISION: The recommendations were approved in Issues 1, 3, and 4; the primary recommendation in Issue 2 was approved. Commissioner Edgar dissented from the majority decisions in Issues 1 and 3. Additionally, the Commissioners voted to approve the parties' stipulation that the docket remain open.

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

ITEM NO.

CASE

17**Docket No. 050228-SU - Request for approval of new class of service in Pinellas County by Ranch Mobile WWTP, Inc.

Critical Date(s): 6/4/05 (60-day suspension date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Revell, Rendell

GCL: Vining

Issue 1: Should the utility's request to establish a new general service tariff be approved?

Recommendation: Yes. The utility's request to establish a new general service tariff should be approved. The utility should file a proposed customer notice to reflect the Commission-approved rate. The approved rate should be effective for service rendered on or after the stamped approval date of the tariff pursuant to Rule 25-30.475(1), Florida Administrative Code, after staff has verified that the proposed customer notice is adequate and this notice has been provided to the customer. The utility should provide proof that the only affected customer has received notice within 10 days after the date of the notice.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no timely protest is filed, the docket should be closed upon the issuance of a Consummating Order and staff's verification of the utility's compliance with the noticing requirements. If a protest is filed within 21 days of the issuance of the Commission's Order, the tariff should remain in effect with all revenues held subject to refund pending resolution of the protest and the docket held open.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

18**PAADocket No. 050006-WS - Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.

Critical Date(s): 12/30/05 (Pursuant to Section 367.081(4)(f), Florida Statutes.)

Commissioners Assigned: All Commissioners

Prehearing Officer: Deason

Staff: ECR: Lester
GCL: Vining

Issue 1: What is the appropriate range of returns on common equity for water and wastewater (WAW) utilities pursuant to Section 367.081(4)(f), Florida Statutes?

Recommendation: Staff recommends that the current leverage formula methodology be applied using updated financial data. Staff recommends the following leverage formula:

$$\text{Return on Common Equity} = 6.95\% + 1.933/\text{Equity Ratio}$$

Where the Equity Ratio = Common Equity / (Common Equity + Preferred Equity + Long-Term and Short-Term Debt)

Range: 8.88% @ 100% equity to 11.78% @ 40% equity

Issue 2: Should the Commission close this docket?

Recommendation: No. Upon expiration of the protest period, if a timely protest is not received from a substantially affected person, the decision should become final and effective upon the issuance of a Consummating Order. However, this docket should remain open to allow staff to monitor changes in capital market conditions and to readdress the reasonableness of the leverage formula as conditions warrant.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

19**Docket No. 050062-WS - Joint application for transfer of Mink Associates II, LLC d/b/a Timberwood Utilities, holder of Certificate Nos. 524-W and 459-S, to Silver Fox Utility Company LLC d/b/a Timberwood Utilities, in Pasco County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ECR: Johnson, Kaproth, Walden

GCL: Vining

Issue 1: Should the transfer of facilities and Certificate Nos. 524-W and 459-S, from Mink Associates II, LLC d/b/a Timberwood Utilities to Silver Fox Utility Company LLC d/b/a Timberwood Utilities be approved?

Recommendation: Yes. The transfer of facilities and Certificates Nos. 524-W and 459-S from Mink Associates II, LLC d/b/a Timberwood Utilities to Silver Fox Utility Company LLC d/b/a Timberwood Utilities is in the public interest and should be approved effective the date of the Commission's vote. The utility should file an executed copy of the lease assignment for the land within 30 days of the issuance date of the Order approving the transfer. In addition, Silver Fox Utility should be required to provide a statement within 30 days of the order approving the transfer that it has established its books and records in compliance with the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA), including separate general ledgers for the water and wastewater systems. Silver Fox Utility should be responsible for the annual reports and regulatory assessment fees (RAFs) for 2005 and the future. A description of the territory being transferred is appended as Attachment A to staff's May 19, 2005 memorandum.

Issue 2: Should the rates and charges approved for this utility be continued?

Recommendation: Yes. Silver Fox Utility Company LLC d/b/a Timberwood Utilities should continue charging the rates and charges approved for this utility system until authorized to change by the Commission in a subsequent proceeding. The tariff reflecting the change in ownership should be effective for services provided or connections made on or after the stamped approval date on the tariff sheets.

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CASE

19**

Docket No. 050062-WS - Joint application for transfer of Mink Associates II, LLC d/b/a Timberwood Utilities, holder of Certificate Nos. 524-W and 459-S, to Silver Fox Utility Company LLC d/b/a Timberwood Utilities, in Pasco County.

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Issue 3: Should this docket be closed?

Recommendation: No. The docket should remain open pending receipt of the executed assignment of the lease agreement and a statement that the buyer has established its books and records in accordance with the NARUC USOA. Upon receipt of the statement and the executed lease assignment, the docket should be administratively closed.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

20**Docket No. 050255-WU - Application for "quick take" amendment of Certificate No. 339-W in Lake County by Brendenwood Water System, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Rieger
GCL: Gervasi

Issue 1: Should the Commission approve Brendenwood's "Quick Take" application to amend Certificate No. 339-W?

Recommendation: Yes. The Commission should approve Brendenwood's amendment application to expand its territory. The proposed territory amendment is described in Attachment A of staff's May 19, 2005 memorandum. Brendenwood should charge the customer in the added territory the rates and charges contained in its tariff until it is authorized by the Commission to change them in a subsequent proceeding.

Issue 2: Should this docket be closed?

Recommendation: Yes. No further action is required and the docket should be closed.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

21**Docket No. 030430-TL - Petition for approval of limited waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(2), F.A.C.; and for approval of modification and extension of Service Guarantee Plan (SGP) approved by Order PSC-00-2462-PAA-TL, by Sprint-Florida, Incorporated.

Critical Date(s): None

Commissioners Assigned: Baez, Deason

Prehearing Officer: Deason

Staff: CMP: Buys
GCL: Fordham

Issue 1: Should the Commission extend the time period of Sprint-Florida, Incorporated's current Service Guarantee Plan and limited waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(6), Florida Administrative Code, for an additional three (3) months?

Recommendation: Yes.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed. Thereafter, a new Docket should be opened to address Sprint's revised SGP upon Sprint's filing.

DECISION: The recommendations were approved.

Commissioners participating: Baez, Deason

Minutes of
Commission Conference
May 31, 2005

ITEM NO.

CASE

22**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.

Critical Date(s): None

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

Staff: CMP: Beard, Casey
GCL: Fordham

Issue 1: Should this docket be closed?

Recommendation: Yes. Staff recommends that this docket should be closed. Staff also recommends that the Commission request NANPA to add the 305 area code for the Keys to its "trigger points" report to notify the Commission 18 months in advance of the exhaust of the 305 area code over the Keys.

DECISION: The recommendation was approved.

Commissioners participating: Baez, Deason, Bradley