MINUTES OF SEPTEMBER 2, 2003 COMMISSION CONFERENCE COMMENCED: 9:35 a.m. ADJOURNED: 12:55 p.m.

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

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

1Approval of Minutes

August 5, 2003 Regular Commission Conference

DECISION: The minutes were approved.

ITEM NO.	CASE			
2**Consent	z Agenda			
PAA	A) Application for certificate to provide competitive local exchange telecommunications service.			
	DOCKET NO. COMPANY	(NAME		
	030765-TX Home Town Telepho	one, LLC		
PAA	B) Applications for certificates to provide pay telephone service.			
	DOCKET NO. C	COMPANY NAME		
	030683-TC Synergy Telec	com Service Co., Inc.		
	030783-TC Patricia L. S	Stone d/b/a Future Talk		
	030779-TC The Everglade	es Club, Inc.		
	<u>RECOMMENDATION</u> : The Commission requested in the dockets refere: dockets.			

DECISION: The recommendation was approved.

EM NO.	CASE				
3**Docket No.	030415-TP - Proposed amendment of Rules 25-4.110, Customer Billing for Local Exchange Telecommunications Companies; 25-24.490, Customer Relations, Rules Incorporated; 25-24.585, Rules Incorporated; and 25-24.845, Customer Relations; Rules Incorporated, F.A.C.				
	Critical Date(s): None				
	Rule Status: Proposed				
	Commissioners Assigned: Full Commission Prehearing Officer: Deason				
	Staff: GCL: Cibula CMP: Buys ECR: Kenny, Hewitt				
	<u>ISSUE 1</u> : Should the Commission propose the amendment of Rule 25-4.110, Customer Billing for Local Exchange Telecommunications Companies; Rule 25-24.490, Customer Relations; Rules Incorporated; Rule 25-24.585, Rules Incorporated; and Rule 25-24.845, Customer Relations; Rules Incorporated? <u>RECOMMENDATION</u> : Yes. The Commission should propose the amendment of Rules 25-4.110, 25-24.490, 25-24.585, and 25- 24.845, Florida Administrative Code. <u>ISSUE 2</u> : Should this docket be closed? <u>RECOMMENDATION</u> : Yes. If no requests for hearing or comments are filed, the rules as proposed should be filed for adoption with the Secretary of State and the docket closed.				

ITEM NO.	CASE				
4**Docket No.	030846-TL - Implementation of Section 364.164, Florida Statutes.				
	Critical Date(s): None				
	Commissioners Assigned: Full Commission Prehearing Officer: Pending				
	Staff: GCL: Banks, Christensen, B. Keating CMP: Simmons				
	<u>ISSUE 1</u> : Should the Commission hear oral argument from the ILECs and other interested persons? <u>RECOMMENDATION</u> : Yes. Staff recommends that the Commission hear oral argument from the ILECs and other interested persons.				

DECISION: The recommendation was approved.

<u>ISSUE 2</u>: What overall procedural schedule should be adopted in order to meet the statutory requirement of the issuance of a final order within 90 days? <u>RECOMMENDATION</u>: Staff recommends that the Commission follow the procedural time frame outlined in the analysis portion of staff's memorandum dated August 21, 2003.

<u>DECISION</u>: The recommendation was approved with modification to the procedural schedule to reflect that staff and intervenor testimony and exhibits are due on Day 36, rebuttal testimony and exhibits on 10/17/03, and prehearing statements on 10/20/03. Additionally, staff was directed to file a recommendation for the 09/16/03 Commission conference on OPC's motion to hold public hearings.

<u>ISSUE 3</u>: How should the discovery limitation set forth in subsection 364.164(3), Florida Statutes, be construed? <u>PRIMARY RECOMMENDATION</u>: The discovery should be limited to the plain meaning of subsection 364.164(3), Florida Statutes, which provides that any discovery on the petitions filed pursuant to Section 364.164, Florida Statutes, shall be limited to verification of the pricing units. <u>ALTERNATIVE RECOMMENDATION</u>: The limiting provision contained in subsection 364.164(3), Florida Statutes, should

ITEM NO.	CASE						

4**

Docket No. 030846-TL - Implementation of Section 364.164, Florida Statutes.

(Continued from previous page)

be construed in its narrowest sense to limit discovery only to the extent that said discovery pertains to the pricing units referenced in subsection 364.164(3).

DECISION: There was no vote on this issue.

<u>ISSUE 4</u>: What is the pertinent scope of this proceeding, and what analyses should be included within the proper standard of review?

<u>RECOMMENDATION</u>: Staff makes the following recommendations:

- A. Staff recommends that the Commission define the scope of its review of large ILECs' petitions under the criteria set forth in subsection 364.164(1)(a), Florida Statutes, as including a review of whether support exists. For the small ILECs, staff recommends that support be assumed.
- B. Staff recommends that the cost standard for quantifying the current amount of support for large ILECs should be Total Service Long Run Incremental Cost (TSLRIC). Regarding the appropriate geographic level for calculating the current amount of support for large ILECs, staff recommends that analyses be performed at two levels, exchange and total company. Staff recommends that the Commission, to the extent possible, express preliminary guidance regarding its preferred cost standard and geographic level for calculating current support, but refrain from precluding the use of other options. To the extent a party is able to adequately support and justify use of a different approach, it should be allowed to do so.
- C. Staff recommends that the Commission define the scope of its review under the criteria set forth in subsection 364.164(1)(b), Florida Statutes, to include a review of profitability in terms of both stand-alone basic service and a basic/nonbasic service bundle, as well as the potential effects on various market entry strategies.

September 2	, 2005
ITEM NO.	CASE
4**	Docket No. 030846-TL - Implementation of Section 364.164, Florida Statutes.
	(Continued from previous page)
	 D. Staff does not believe that the criteria set forth in subsections (c) and (d) of 364.164(1), Florida Statutes, need interpretation beyond the plain language of the statute. E. Staff also recommends that large ILECs be required to submit their "interstate switched network access rate" calculated on the same basis prescribed for their "intrastate switched network access rate," although they should have the opportunity to present evidence whether or not this is the appropriate definition. They should also provide the supporting calculations for the
	derivation of the "intrastate switched network access rate" and the "interstate switched network access rate." Small LECs should provide the supporting calculations for the derivation of the "intrastate switched network access rate."
	F. All petitioning LECs should be required to provide a price-out for each planned annual filing for the revenue category, showing pricing units, old rates, new rates,

price-out for each planned annual filing for the revenue category, showing pricing units, old rates, new rates, and revenue effect. In addition, staff recommends that the petitioning LEC provide a price-out summary, demonstrating that each annual filing will be revenue neutral within the revenue category, pursuant to subsections 364.164(2) and (7), Florida Statutes. While a petitioning LEC should not be precluded from presenting evidence that other methods are more appropriate for making the actual determination on revenue neutrality, staff recommends that the price-outs and summary be required.

DECISION: There was no vote on this issue.

ITEM NO.	CASE			
4 * *	Docket No. 030846-TL - Implementation of Section 364.164, Florida Statutes.			

(Continued from previous page)

<u>ISSUE 5</u>: Should this docket be closed? <u>RECOMMENDATION</u>: No. This Docket should remain open pending receipt of the first LEC petition filed pursuant to Section 364.164, Florida Statutes, and establishment of a Docket to address that petition. Thereafter, this Docket should be closed administratively. The provisions of the Order resulting from this recommendation should, however, be considered applicable to each petition filed pursuant to Section 364.164, Florida Statutes, and should be so recognized in each corresponding Docket.

DECISION: The recommendation was approved.

Additionally, the Commission acknowledged OPC's withdrawal of its motion to hold a case management conference and its motion to expedite the discovery process, both of which were filed in the petition dockets.

ITEM NO.	CASE					
4A**PAADocket	No. 030850-TP - Implementation of requirements arising from Federal Communications Commission triennial UNE review: Local Circuit Switching for DS1 Enterprise Customers.					
	Critical Date(s): None					
	Commissioners Assigned: Full Commission Prehearing Officer: Pending					
	Staff: CMP: Dowds GCL: Fordham					
	<u>ISSUE 1</u> : What actions should the Commission take regarding the FCC's presumption of no impairment absent access to unbundled local switching for business customers who obtain network access via high-capacity loops? <u>RECOMMENDATION</u> : Staff recommends that the Commission take no actions to rebut the FCC's presumption of no impairment absent access to unbundled local switching for business customers who obtain network access via high-capacity loops. <u>ISSUE 2</u> : Should this docket be closed? <u>RECOMMENDATION</u> : Yes. If no person whose substantial interests are affected files a protest within 21 days of the issuance date of the order, the order should become final upon the issuance of a consummating order. If the order is protested, the procedures enumerated in the analysis portion of staff's August 25, 2003 memorandum should govern subsequent actions in this docket.					

DECISION: The recommendations were approved.

ITEM NO.

CASE

5Docket No. 020119-TP - Petition for expedited review and cancellation of BellSouth Telecommunications, Inc.'s Key Customer promotional tariffs and for investigation of BellSouth's promotional pricing and marketing practices, by Florida Digital Network, Inc. Docket No. 020578-TP - Petition for expedited review and cancellation of BellSouth Telecommunications, Inc.'s Key Customer promotional tariffs by Florida Competitive Carriers Association. Docket No. 021252-TP - Petition for expedited review and cancellation or suspension of BellSouth Telecommunications, Inc.'s Key Customer tariff filed 12/16/02, by Florida Digital Network, Inc. Critical Date(s): None Commissioners Assigned: Full Commission Prehearing Officer: Baez Staff: GCL: Banks CMP: Barrett MMS: Dickens ISSUE 1: Should the Motion for Reconsideration filed by FDN be granted? RECOMMENDATION: No. FDN has not identified a point of fact or law which was overlooked or which the Commission failed to consider in rendering its decision. Therefore, FDN's Motion for Reconsideration should be denied. ISSUE 2: Should these dockets be closed? <u>RECOMMENDATION</u>: Yes. If staff's recommendation in Issue 1 is approved, these dockets should be closed.

DECISION: The recommendations were approved.

ITEM NO.

CASE

6**PAADocket No. 030674-TP - Bankruptcy cancellation by Florida Public Service Commission, pursuant to request by Alex F. Mattera, counsel to the plan trustee of the debtor, of IXC Registration No. TJ320 and CLEC Certificate No. 7342 issued to essential.com, inc., effective July 16, 2003.

Critical Date(s): None

Commissioners Assigned: Full Commission Prehearing Officer: Administrative

Staff: CMP: Isler GCL: Fordham

ISSUE 1: Should the Commission grant essential.com, inc. cancellation of its IXC Registration No. TJ320 and CLEC Certificate No. 7342 due to bankruptcy? RECOMMENDATION: The Commission should grant the company a bankruptcy cancellation of its IXC Registration No. TJ320 and CLEC Certificate No. 7342 with an effective date of July 16, 2003. In addition, the Division of the Commission Clerk and Administrative Services will be notified that the 2001, 2002, and 2003 RAFs, including penalty and interest charges, for its IXC registration and the 2000, 2001, 2002, and 2003 RAFs, including penalty and interest charges, for its CLEC certificate, should not be sent to the Florida Department of Financial Services for collection, but that permission for the Commission to write off the uncollectible amount should be requested. If the IXC registration and CLEC certificate are cancelled in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing interexchange telecommunications and competitive local exchange services in Florida.

ITEM NO.	CASE					
6**PAA	Docket No. 030674-TP - Bankruptcy cancellation by Florida Public Service Commission, pursuant to request by Alex F. Mattera, counsel to the plan trustee of the debtor, of IXC Registration No. TJ320 and CLEC Certificate No. 7342 issued to essential.com, inc., effective July 16, 2003.					
	(Continued from previous page)					
	<u>ISSUE 2</u> : Should this docket be closed? <u>RECOMMENDATION</u> : The Order issued from this recommendation will become final upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of					

DECISION: The recommendations were approved.

docket should then be closed.

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

the issuance of the Proposed Agency Action Order. The

ITEM NO.	CASE
7**PAADocket	No. 000694-WU - Petition by Water Management Services, Inc. for limited proceeding to increase water rates in Franklin County.
	Critical Date(s): None
	Commissioners Assigned: Full Commission Prehearing Officer: Davidson
	Staff: ECR: Kyle, Merchant, Edwards GCL: Vining
	<pre>ISSUE 1: Should the utility's request for fire flow protection improvements be included in this limited proceeding? RECOMMENDATION: Yes. WMSI's request for fire flow improvements should be included in this limited proceeding. ISSUE 2: What is the appropriate depreciable life for the transmission main attached to the St. George Island bridge? RECOMMENDATION: A 35-year average service life (or 2.86 percent) is appropriate for the transmission main. All other costs recorded in Account 331 should continue to be depreciated over a 40-year life. ISSUE 3: What is the appropriate Phase 2 annual revenue requirement for this limited proceeding? RECOMMENDATION: The appropriate Phase 2 annual revenue requirement for this limited proceeding is \$490,959. ISSUE 4: What is the appropriate rate increase, if any, for Phase 2? RECOMMENDATION: The appropriate rate increase for Phase 2 is a 42.1 percent increase in both base facility and gallonage charges, resulting in the rates depicted in Attachment A to staff's memorandum dated August 21, 2003. The approved Phase 2 rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), Florida Administrative Code, and should be held subject to over-collection with interest pending the final decision in this docket. The Phase 2 rates should not be implemented until staff has approved the proposed customer notice, and the notice has been received by the customers. The utility should provide proof of the date notice was given within 10 days after the</pre>

ITEM NO.	CASE			
7**PAA	Docket No. 000694-WU - Petition by Water Management Services, Inc. for limited proceeding to increase water rates in Franklin County.			
	(Continued from previous page)			
	date of the notice. The utility should not be required to post security for any potential over-collection of any rate increase because of the true-up provision which occurs in Phase 3. Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should file reports with the Commission no later than 20 days after each monthly billing after the increased Phase 2 rates are in effect. These reports should indicate the amount of revenue collected under the increased rates. <u>ISSUE 5</u> : What is the appropriate amount by which water rates should be reduced four years after the established effective date to reflect the removal of amortized rate case expense, as required by Section 367.0816, Florida Statutes? <u>RECOMMENDATION</u> : The water rates should be reduced as shown			
	on Attachment A to staff's memorandum dated August 21, 2003, to remove \$10,436 in rate case expense amortization, grossed up for regulatory assessment fees. The decrease in rates			
	should become offective immediately following the evolution			

should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, Florida Statutes. The utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction.

<u>ISSUE 6</u>: Should the recommended rates remain in effect for the utility, subject to a true-up in Phase 3 of this proceeding?

<u>RECOMMENDATION</u>: Yes. The recommended rates are temporary rates and should remain in effect for the utility since any potential over-collection is subject to a true-up in Phase 3 of this proceeding. These rates should remain in effect until final rates are approved in 2004. The utility should be authorized to collect the temporary rates after staff's approval of the proposed customer notice and the revised tariff sheets.

ITEM NO.	CASE					
7**PAA	Docket No. 000694-WU - Petition by Water Management Services, Inc. for limited proceeding to increase water rates in Franklin County.					
	(Continued from previous page)					
	<u>ISSUE 7</u> : Should this docket be closed? <u>RECOMMENDATION</u> : No. If no timely protest is received upon expiration of the protest period, the portion of the Order which is Proposed Agency Action will become final upon the issuance of a Consummating Order. The docket should remain					

permanent rates to be addressed in Phase 3.

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

DECISION: The recommendations were approved.

open pending Commission action on the utility's request for

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ITEM NO.

CASE

8Docket No. 020010-WS - Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P. Docket No. 990374-WS - Application for certificates to operate a water and wastewater utility in Highlands County by The Woodlands of Lake Placid, L.P., and for deletion of portion of wastewater territory in Certificate No. 361-S held by Highlands Utilities Corporation. Critical Date(s): 15-month effective date waived (SARC) Commissioners Assigned: Deason, Bradley, Davidson Prehearing Officer: Deason Sargent, Willis Staff: ECR: GCL: Fleming, Brown ISSUE 1: What are the appropriate Contributions in Aid of Construction (CIAC) balances for the test year ended December 31, 2001? RECOMMENDATION: The appropriate CIAC balances for the test year ended December 31, 2001 are \$234,915 for water and \$65,600 for wastewater. ISSUE 2: What is the appropriate amount to be included in rate base for working capital? RECOMMENDATION: Based on staff's recommended adjustments, the appropriate amount to be included in rate base for working capital is \$4,454 for water and \$3,586 for wastewater. ISSUE 3: What are the appropriate rate base amounts? **<u>RECOMMENDATION</u>**: Based on staff's recommended adjustments, the appropriate average test year rate base amounts are \$189,086 for water and \$191,523 for wastewater. ISSUE 4: What is the appropriate amount of office rent to be included in O&M expenses? <u>RECOMMENDATION</u>: The appropriate amount of office rent to be included in O&M expenses is \$573 for water and \$479 for wastewater. **ISSUE 5:** What is the appropriate amount of rate case expense? **<u>RECOMMENDATION</u>**: The appropriate amount of rate case expense should be \$3,376 for water and \$2,896 for wastewater,

ITEM NO.

CASE

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Docket No. 020010-WS - Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P.

Docket No. 990374-WS - Application for certificates to operate a water and wastewater utility in Highlands County by The Woodlands of Lake Placid, L.P., and for deletion of portion of wastewater territory in Certificate No. 361-S held by Highlands Utilities Corporation.

(Continued from previous page)

resulting in annual expenses of \$844 and \$724 for water and wastewater, respectively.

<u>ISSUE 6</u>: What is the appropriate test year operating income amount before any revenue increase?

<u>RECOMMENDATION</u>: The appropriate test year operating income before any revenue increase or decrease should be \$16,229 for water and \$13,083 for wastewater.

<u>ISSUE 7</u>: What are the appropriate revenue requirements? <u>RECOMMENDATION</u>: The following revenue requirements should be approved:

			Ş	00
	<u>Total</u>	Increase		Increase
		(<u>I</u>	Decrease)	(<u>Decrease</u>)
Water	\$ 62,226	\$	(35,929)	(36.60%)
Wastewater	\$ 57,334	\$	6,790	13.43%

<u>ISSUE 8</u>: What are the appropriate water and wastewater rates for Woodlands?

<u>RECOMMENDATION</u>: Consistent with staff's recommendation in Issue No. 7, the recommended rates should be designed to produce revenues of \$62,226 for water and \$57,334 for wastewater, excluding miscellaneous revenues. The approved rates and miscellaneous service charges should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code. The rates should not be implemented until proper notice has been received by the customers. The utility should provide proof of the date notice was given within 10 days after the date of notice.

ITEM NO.

CASE

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Docket No. 020010-WS - Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P.

Docket No. 990374-WS - Application for certificates to operate a water and wastewater utility in Highlands County by The Woodlands of Lake Placid, L.P., and for deletion of portion of wastewater territory in Certificate No. 361-S held by Highlands Utilities Corporation.

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ISSUE 9: What are the appropriate amounts by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, Florida Statutes? <u>RECOMMENDATION</u>: The water and wastewater rates should be reduced as shown on Schedules 4 and 4A of staff's August 21, 2003 memorandum, to remove rate case expense grossed up for regulatory assessment fees and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, Florida Statutes. The utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense. ISSUE 10: Should the utility be allowed to offset the underearnings from its wastewater system with the excess earnings from its water system.

<u>RECOMMENDATION</u>: No. The utility should not be allowed to offset the underearnings from its wastewater system with the excess earnings from its water system.

ITEM NO.

CASE

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Docket No. 020010-WS - Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P.

Docket No. 990374-WS - Application for certificates to operate a water and wastewater utility in Highlands County by The Woodlands of Lake Placid, L.P., and for deletion of portion of wastewater territory in Certificate No. 361-S held by Highlands Utilities Corporation.

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<u>ISSUE 11</u>: Are The Woodlands of Lake Placid, L.P., Highvest Corporation, and L.P. Utilities, Inc., separate legal entities?

<u>RECOMMENDATION</u>: No. The Woodlands of Lake Placid, L.P., Highvest Corporation, and L.P. Utilities Inc. are interrelated and subject to the same regulatory obligations. <u>ISSUE 12</u>: Whether Highvest and L.P. can be held legally responsible for making the refunds for revenue collected by The Woodlands of Lake Placid, L.P.?

RECOMMENDATION: Yes. The regulation of utilities is an exercise of the state's police power to safeguard the public interest. In this case, the public welfare requires that the Commission hold Highvest Corporation, L.P. Utilities, Inc., and R. Anthony Cozier responsible for refunding the unauthorized rates collected by the Woodlands of Lake The utility should refund the unauthorized Placid, L.P. water rate increase of \$6.29 a month collected from January 1998 until the effective date of the final rates, within 12 months of the Final Order pursuant to Rule 25-30.360, Florida Administrative Code. The refunds should be made with interest in accordance with Rule 25-30.360(4), Florida Administrative Code. The refund and the accrued interest should be paid only to those water customers who paid the unauthorized rates from January 1998 through the implementation of the final rates. In no instance should maintenance and administrative costs associated with any refund be borne by the customers; the costs are the responsibility of, and should be borne by, the utility. The utility should provide refund reports pursuant to Rule 25-30.360(7), Florida Administrative Code. The utility should

	ITEM	NO.
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CASE

8

Docket No. 020010-WS - Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P.

Docket No. 990374-WS - Application for certificates to operate a water and wastewater utility in Highlands County by The Woodlands of Lake Placid, L.P., and for deletion of portion of wastewater territory in Certificate No. 361-S held by Highlands Utilities Corporation.

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treat any unclaimed refunds in accordance with Rule 25-30.360(8), Florida Administrative Code. <u>ISSUE 13</u>: Should this docket these dockets be closed? <u>RECOMMENDATION</u>: Upon the expiration of the appeal period, if no party timely appeals the order, upon staff's verification that the utility has completed the required refunds, and upon the filing and staff's approval of the revised tariff sheets, this docket these dockets should be closed administratively.

 $\underline{\text{DECISION}}$: The recommendations were approved with the noted modifications.

Commissioners participating: Deason, Bradley, Davidson

ITEM NO.	CASE	
9**Docket No.	030102-WS - Application for authority to transfer	
	Certificate Nos. 620-W and 533-S in Highlands County from	
	The Woodlands of Lake Placid, L.P. to L. P. Utilities	

The Woodlands of Lake Placid, L.P. to L. P. Utilities Corporation. (Deferred from June 3, 2003 conference; revised recommendation filed.)

Critical Date(s): None

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

Staff: ECR: Clapp, Kaproth, Redemann GCL: Fleming, Brown

PAA ISSUE 1: Should the Commission approve the transfer of Water Certificate No. 620-W and Wastewater Certificate No. 533-S from Woodlands to LPUC? RECOMMENDATION: No. The transfer of Certificate Nos. 620-W and 533-S from Woodlands to LPUC should be denied. Within 30 days from the date this decision is final, the Applicant should file another application for transfer of the certificates in which LPUC agrees to accept all regulatory obligations of the Woodlands, as Section 367.071(1), Florida Statutes and Rule 25-30.037(2), Florida Administrative Code, require. Highvest, the current owner of the utility's assets, is responsible for providing service to the utility's customers, submitting the utility's present and past due regulatory assessment fees, plus penalties and interest, for the period January 1, 2002, through September 30, 2002, and honoring any refunds to the utility customers ordered by the Commission, until an appropriate transfer to LPUC is approved by the Commission. ISSUE 2: Should the Commission deny OPC's Motion to Order L.P. Utilities to Cease Activities to Sell Utilities? <u>RECOMMENDATION</u>: Yes. If the Commission approves staff's recommendation in Issue 1, OPC's motion will be moot. If the Commission denies staff's recommendation in Issue 1, it should specifically order LPUC to either seek Commission approval of any new transfer prior to its consummation, or demonstrate that there is a sale contract that contains a provision sufficient to make the transfer contingent on the

ITEM NO.	CASE	
9**	Docket No. 030102-WS - Application for authority to transfer Certificate Nos. 620-W and 533-S in Highlands County from The Woodlands of Lake Placid, L.P. to L. P. Utilities Corporation. (Deferred from June 3, 2003 conference; revised recommendation filed.)	
	(Continued from previous page)	
	Commission's determination that it is in the public interest. <u>ISSUE 3</u> : Should this docket be closed? <u>RECOMMENDATION</u> : No. This docket should remain open to address the new transfer application or a protest, if one is filed. If the Commission approves this application for	
	transfer, the docket should be closed upon the issuance of the Commission's final order.	
DECI	SION: The recommendations were approved.	

Commissioners participating: Deason, Bradley, Davidson