

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

SEPTEMBER 26, 2000

RE: DOCKET NO. 000295-WU - Application for increase in water rates in Highlands County by Placid Lakes Utilities, Inc.

Issue 1: Should the utility's proposed final water rates be suspended?
Recommendation: Yes. Placid Lakes' proposed final water rates should be suspended. This docket should remain open pending completion of the rate case.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures in the majority column]

REMARKS/DISSENTING COMMENTS:

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Issue 2: Should an interim revenue increase be approved?

Recommendation: Yes. The utility should be authorized, on an interim basis, to collect annual water revenues as indicated below.

	<u>Revenues</u>	<u>\$ Increase</u>	<u>% Increase</u>
Water	\$349,827	\$101,135	40.67%

APPROVED

Issue 3: What are the appropriate interim water rates?

Recommendation: The interim rates for Placid Lakes should be designed to allow the utility the opportunity to generate annual operating revenues of \$349,827 for its water system. The approved rates 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, provided the customers have received notice. An increase of 40.95% should be applied across the board to the water rates in effect as of December 31, 1999, the end of the test year. The rates should not be implemented until the required security has been filed and 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.

APPROVED

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Issue 4: What is the appropriate security to guarantee the water interim increase and the amount subject to refund?

Recommendation: The utility should be required to open an escrow account, or file a security bond or a letter of credit to guarantee any potential refunds of revenues collected under interim conditions. The escrow account, security bond or letter of credit should be in the amount of \$101,135. Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility should provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code.

APPROVED