

DOCKET NO.: 971179-SU - Disposition of CIAC gross-up funds collected by North Fort Myers Utility, Inc. in Lee County.

WITNESS: Direct Testimony of Christine G. Romig, Appearing on Behalf of Staff

DATE FILED: ~~January 31~~, 2000
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FPSC-RECORDS/REPORTING

DIRECT TESTIMONY OF CHRISTINE G. ROMIG

- 1
- 2 Q. Would you please state your name and business address?
- 3 A. My name is Christine G. Romig and my business address is 2540 Shumard
4 Oak Boulevard, Tallahassee, Florida 32399-0850.
- 5 Q. By whom are you employed?
- 6 A. The Florida Public Service Commission (Commission).
- 7 Q. When did you commence employment with the Commission?
- 8 A. I have been employed by the Commission since July 3, 1978.
- 9 Q. Would you state your educational background and experience?
- 10 A. I received a Bachelor of Business Administration Degree with a major in
11 Accounting from Florida Atlantic University in June 1978. I met the
12 requirements as a Certified Public Accountant in October 1980. I began
13 employment with the Miami Field Office of the Commission as a Public Utilities
14 Auditor with the Division of Auditing and Financial Analysis on July 3, 1978.
15 On May 1, 1980, I transferred to the Orlando District Office of the
16 Commission and assumed the position of Public Utilities Audit Supervisor of
17 that office. I remained in that position until my marriage and relocation to
18 Tallahassee on July 1, 1985, when I transferred to the Special Assistance
19 Bureau in the Water and Wastewater Division of the Commission's Tallahassee
20 Office as a Regulatory Analyst. On November 26, 1991, I transferred to the
21 Tax Section of the Financial Analysis Bureau in the Division of Auditing and
22 Finance in Tallahassee, where I hold the position of Regulatory Analyst.
- 23 Q. Would you explain your general responsibilities in your current
24 position.
- 25 A. My general responsibilities include, but are not limited to,

- 1 | participation in the following:
- 2 | 1. Reviewing and analyzing tax assignments delegated to me by
3 | my supervisor.
 - 4 | 2. Reviewing and analyzing financial information and tax
5 | returns filed with or made available to the Commission for
6 | regulatory proceedings or surveillance purposes, including
7 | water and wastewater contributions-in-aid-of-construction
8 | (CIAC) gross-up matters.
 - 9 | 3. Writing cross-examination questions and preparing deposition
10 | questions for hearings involving tax issues for regulatory
11 | proceedings.
 - 12 | 4. Preparing expert testimony and exhibits and testifying as
13 | needed on controversial issues involving tax issues for
14 | regulatory proceedings, including water and wastewater CIAC
15 | gross-up matters.
 - 16 | 5. Making recommendations to the Commission regarding tax
17 | issues in rate cases, surveillance reports, rule proceedings
18 | and investigations in all industries, including water and
19 | wastewater CIAC gross-up matters.
 - 20 | 6. Advising Commission Staff on tax matters in Commission
21 | matters.
 - 22 | 7. Performing research in tax areas to determine the impact of
23 | laws and regulations on the ratemaking process and other
24 | regulatory matters.
 - 25 | 8. Regarding legislation, attending meetings and hearings as

1 an observer, assistant or participant.

2 9. Drafting, analyzing and interpreting proposed legislation,
3 rules and regulations for potential impact on the ratemaking
4 process and other regulatory matters.

5 10. Conducting training sessions on tax matters for Commission
6 Staff.

7 11. Responding to customer inquiries and complaints.

8 12. Representing the Commission, as assigned.

9 Q. Have you testified in any other cases before this Commission?

10 A. No.

11 Q. Do you have exhibits that are attached to your testimony?

12 A. No.

13 Q. What is the purpose of your testimony in this proceeding?

14 A. I will testify on several topics, as follows:

15 1. The taxability of pre-June 13, 1996 installment
16 arrangement CIAC.

17 2. Whether a variance is or was necessary for continued
18 collection of the gross-up portion of the installment
19 payments.

20 3. The appropriateness of using the Annual Report that
21 is filed with the Commission as a basis for
22 determining above-the-line taxable income for CIAC
23 gross-up dispositions and if using the Annual Report
24 as a basis for the dispositions constitutes a change
25 in Commission policy.

1 4. Whether it is appropriate to offset CIAC gross-up
2 overcollections with legal fees in this instance.

3 Q. What is the purpose of your testimony regarding the taxability of pre-
4 June 13, 1996 installment arrangement CIAC?

5 A. The purpose of my testimony regarding the taxability of pre-June 13,
6 1996 installment arrangement CIAC is to address whether or not the entire
7 amount of the installment arrangements constituted CIAC and therefore taxable
8 income at the time the installment arrangements were entered into.

9 Q. Before addressing the substance of your testimony, please provide a
10 brief history of the background surrounding the taxability versus
11 nontaxability of CIAC.

12 A. Prior to the enactment of the 1986 Tax Reform Act (effective January 1,
13 1987) CIAC reduced the basis of the depreciable property for federal tax
14 purposes. CIAC was not reportable as income for tax purposes. As of January
15 1, 1987, Section 118(b) of the Internal Revenue Code was repealed, changing
16 the tax treatment of CIAC. This change caused CIAC to be treated as gross
17 income and to become taxable for federal income tax purposes. In 1996, the
18 Small Business Job Protection Act again changed the tax treatment of water and
19 wastewater CIAC. This law provided that CIAC collected by water and
20 wastewater utilities would be nontaxable. The provision for the nontaxability
21 of water and wastewater CIAC was made retroactive to June 12, 1996.

22 Q. Why is this change in the law significant to North Fort Myers Utility,
23 Inc.?

24 A. Under certain conditions, North Fort Myers Utility, Inc. (NFMU) had
25 Commission tariff authority that allowed prospective individual customers the

1 option of paying the CIAC in one lump sum or paying the CIAC in monthly
2 installments over a seven year period at 10% interest. In some instances,
3 installment arrangements were made during the time period that the rules of
4 the Tax Reform Act of 1986 were in effect. During that period, CIAC was
5 taxable. Some installment payments related to those arrangements were made
6 during the time the water and wastewater CIAC was taxable (under the Tax
7 Reform Act of 1986) while other payments were made during the time water and
8 wastewater CIAC was nontaxable (under the 1996 Small Business Job Protection
9 Act). Therefore, at issue, is whether or not the entire amount of the pre-
10 June 13, 1996 installment arrangements constituted CIAC and therefore was
11 taxable income at the time the installment arrangements were entered into.
12 In other words, I will discuss when installment arrangement CIAC is taxable
13 and reportable as income on NFMU's federal tax returns. The issue is whether
14 the CIAC is reportable as income and taxable in the year the installment
15 arrangements are made or whether the cash payments are taxable in the year
16 received.

17 Q. Please state your opinion on the taxability of the installment
18 arrangement CIAC.

19 A. I believe that the installment arrangement CIAC is fully taxable in the
20 year of the installment arrangement. Therefore, the corollary is that the
21 funds received by NFMU following June 12, 1996 that were payments relating to
22 installment arrangements made during the period January 1, 1987 through June
23 12, 1996 are fully taxable and became taxable when the installment
24 arrangements were made. In other words, the payments are installment loan
25 payments, not payments of CIAC or CIAC gross-up. From the moment they were

1 reduced to installment arrangements, the future payments under those
2 arrangements no longer have the character of new CIAC or new gross-up. As
3 such, the continued collection of these installment payments does not
4 represent continued collection of CIAC or CIAC gross-up funds.

5 Q. What is the basis for your opinion?

6 A. NFMU is an accrual taxpayer for book and for tax purposes. As such, it
7 is required to report revenues and expenses on an accrual basis for book and
8 for tax purposes. As an accrual taxpayer, NFMU is required to report the
9 revenues and expenses when the Internal Revenue Service "tests" are met. CIAC
10 is income and the Code makes no exception. CIAC was taxable income up to June
11 12, 1996 and all lump sum payments and installment arrangements entered into
12 prior to the time when CIAC was taxable should have been reported as income
13 on its books and on its tax returns. Further, and most importantly, at the
14 time the installment arrangements were made, the CIAC was recorded as CIAC (a
15 credit entry) and the offsetting debit was to cash, a customer/loan
16 receivable or a combination of the two. Therefore, the collection from the
17 customer was not collection of CIAC, but rather it was collection of a
18 customer/loan receivable.

19 Q. What evidence are you relying upon in support of your opinion?

20 A. First, Internal Revenue Code, Section 451(a), General Rule for Taxable
21 Year of Inclusion, states that "[t]he amount of any item of gross income shall
22 be included in the gross income for the taxable year in which received by the
23 taxpayer, unless, under the method of accounting used in computing taxable
24 income, such amount is to be properly accounted for as of a different period."

25 Second, Treasury Regulation, Section 1.451-1(a), General Rule for

1 Taxable Year of Inclusion, states that “[g]ains, profits, and income are to
2 be included in gross income for the taxable year in which they are actually
3 or constructively received by the taxpayer unless includible for a different
4 year in accordance with the taxpayer’s method of accounting. Under an accrual
5 method of accounting, income is includible in gross income when all the events
6 have occurred which fix the right to receive such income and the amount
7 thereof can be determined with reasonable accuracy.”

8 Third, Treasury Regulation 1.446-1(c)(ii), General Rule for Methods of
9 Accounting, Accrual Method, states that “[g]enerally, under an accrual method,
10 income is to be included for the taxable year when all the events have
11 occurred that fix the right to receive the income and the amount of the income
12 can be determined with reasonable accuracy.”

13 Q. Have you looked at NFMU’s tax returns for the years under question to
14 ascertain whether NFMU identified itself as an accrual taxpayer and reported
15 its income and expenses accordingly?

16 A. Yes.

17 Q. Did your review indicate that NFMU was an accrual taxpayer for those
18 years?

19 A. Yes.

20 Q. Did you look at NFMU’s annual reports to the Commission for the years
21 under question?

22 A. Yes.

23 Q. Did your review indicate that NFMU maintained its books and records on
24 an accrual basis for Commission reporting?

25 A. Yes.

1 Q. Is there anything further that you wish to add to the foregoing?

2 A. Yes. I believe that the "receipt" of CIAC occurs when the entity knows
3 it has a legal right to the money and the amount of money is known. The
4 amount to which NFMU is entitled is established by tariff and by the
5 installment arrangements it made with its customers. The receipt of the CIAC
6 by NFMU is a "condition precedent" to the receipt of service, which means CIAC
7 must be paid before a customer will be served. The payment may be in the
8 form of a lump sum or in the form of an installment arrangement. I believe
9 that the utility must have been certain that it had a right to the CIAC or it
10 would not have provided service to those who are paying by installment. As
11 stated previously, Treasury Regulation, Section 1.446-1(c)(a)(ii) provides
12 that, generally, under an accrual method, income is to be included for the
13 taxable year when all the events have occurred which fix the right to receive
14 such income and the amount thereof can be determined with reasonable accuracy.
15 Therefore, I believe that NFMU meets the criteria that requires it to report
16 the CIAC as done in its amended returns because: 1) it is an accrual taxpayer;
17 2) it had a right to the CIAC; and 3) the amount of the CIAC was known, as it
18 was set by tariff.

19 Q. How has NFMU reported the installment arrangement CIAC on its tax
20 returns?

21 A. The amended federal income tax returns show that it has reported the
22 installment arrangement CIAC as income in the year the installment
23 arrangements were made.

24 Q. Is this consistent with what you believe the correct reporting period
25 to be?

1 | A. Yes.

2 | Q. Do you believe that it was appropriate for NFMU to file amended returns
3 | to report the installment arrangement CIAC that had not been reported
4 | previously?

5 | A. Yes. Treasury Regulation, Section 1.451-1(a), General Rule for Taxable
6 | Year of Inclusion, states that "[i]f a taxpayer ascertains that an item should
7 | have been included in gross income in a prior taxable year, he should, if
8 | within the period of limitation, file an amended return and pay any additional
9 | tax due."

10 | NFMU complied with this regulation by its timely filing of amended
11 | returns when it concluded that its taxable income, as reported, was
12 | understated due to not including in taxable income, a portion of the
13 | installment arrangement CIAC that it had received.

14 | Q. Does this conclude your testimony on this issue?

15 | A. Yes.

16 | Q. How did the Commission respond to the enactment of the Small Business
17 | Job Protection Act of 1996, the law that provided that CIAC collected by water
18 | and wastewater utilities would be nontaxable retroactive to June 12, 1996?

19 | A. On September 20, 1996, the Commission issued Order No. PSC-96-1180-FOF-
20 | WS, in Docket No. 960965-WS. This order revoked the authority of the water
21 | and wastewater utilities with CIAC gross-up authority, including that of North
22 | Fort Myers Utility, Inc., to collect gross-up on CIAC within 30 days of the
23 | date of the order, unless the utility filed "for a variance."

24 | Q. Did NFMU file a variance with the Commission within the 30-day
25 | requirement?

1 | A. No.

2 | Q. In your opinion, is or was a variance necessary for continued collection
3 | of the gross-up portion of the installment payments?

4 | A. No.

5 | Q. What is the basis for your conclusion?

6 | A. Once NFMU began collecting installment payments and they included CIAC
7 | gross-up, then the CIAC and the CIAC gross-up was reduced to a receivable.
8 | Therefore, the payments were to extinguish the receivable and not "collection
9 | of CIAC," and it would not appear that a variance to continue the collection
10 | of CIAC gross-up would be required. Also, if the CIAC collected through
11 | installment payment is taxable as income, then in order to keep the utility
12 | whole as contemplated by Orders Nos. 16971 and 23541, the utility should be
13 | allowed to collect the CIAC gross-up that was calculated to be due. However,
14 | even if it is ultimately determined that a waiver is required, I believe that,
15 | based on the confusion for the need of a variance, such variance should be
16 | granted.

17 | Q. Is it appropriate to classify certain operating expenses reported above
18 | the line for annual report purposes as below the line expenses for gross-up
19 | refund purposes?

20 | A. No. If an expense is appropriately reported as above the line for
21 | Annual Report purposes, it should also be reported as above the line for
22 | gross-up refund purposes. Likewise, if an expense is appropriately reported
23 | below the line for Annual Report purposes, it should also be reported below
24 | the line for gross-up refund purposes.

25 | In general, expenses classified as above the line are those prudent

1 | regulated expenses which are ordinary and necessary and used and useful in the
2 | provision of utility service. Therefore, if an expense meets these criteria
3 | for above the line classification for Annual Report purposes, it would
4 | likewise have the same characterization for gross-up refund purposes, and
5 | therefore, should be reported above the line.

6 | Q. Should classification of an expense as above the line or below the line,
7 | for annual report or gross-up refund purposes, be determined based on whether
8 | or not the expense is embedded in the utility's rates?

9 | A. No. As stated above, in general above the line expenses are those
10 | prudent regulated expenses which are ordinary and necessary and used and
11 | useful in the provision of utility service. Below the line expenses are
12 | generally those expenses which are non-utility related, non-used and useful,
13 | or expenses which are specifically disallowed. The above or below the line
14 | classification of expenses is made in order to determine whether an expense
15 | should be recovered in the utility's rates. In fact, an expense is included
16 | in a utility's rates only after it has been determined to be an above the line
17 | expense. The nature of an expense determines its above or below the line
18 | classification; not whether or not the expense is embedded in the utility's
19 | rates. Therefore, an expense does not have to be embedded in a utility's
20 | rates in order for it to be classified as above the line.

21 | Q. Does the fact that the expenses may have generated losses which were
22 | subsidized by the stockholders, make a difference in whether the expenses
23 | should be classified above the line or below the line?

24 | A. No. Again, as previously stated, an expense is generally determined to
25 | be above or below the line based on whether it meets the criteria for above

1 | the line classification; not based on whether the utility generated operating
2 | income or losses. Utilities routinely experience fluctuations both up and
3 | down in their annual expenses. However, since rates are set on a prospective
4 | basis, it is assumed that even with those expected fluctuations, the rates
5 | will continue to allow the utility to recover its prudent utility related
6 | expenses and an opportunity to recover a fair return on its used and used
7 | investment. Notwithstanding that, sometimes the increase in expenses is
8 | greater than the increase in revenues and as a result, the rates do not
9 | generate sufficient revenues to allow the utility to recover its prudent
10 | costs, and the utility therefore experiences losses. However, the utility
11 | has the opportunity to request compensatory rates whenever its revenues fall
12 | short of covering its expenses. The utility may or may not seek such relief.
13 | Nevertheless, the utility would still be required to report all of its utility
14 | related expenses in its Annual Report and not merely those expenses that are
15 | embedded in its rates. After all, utility revenues also routinely increase
16 | as a result of customer growth and indexes and pass-throughs. However, the
17 | utility would not be allowed to report only those revenues that existed during
18 | its last rate case. Therefore, even if losses are generated, the expenses
19 | would still be classified above the line for Annual Report and gross-up refund
20 | purposes if the expenses met the criteria for above the line classification.
21 | The effect of not including the expenses above the line would be to shift the
22 | above the line losses below the line. This would violate the requirements of
23 | Order No. 23541 which clearly states that utilities should offset
24 | jurisdictional, above the line net operating losses against CIAC income.
25 | Q. Has staff changed its policy of determining what should be included

1 | above the line and below the line in gross-up refund computations?

2 | A. No, staff has not changed its policy. As stated above, the
3 | classification of expenses to above or below the line operations is determined
4 | based on whether the expense meets the criteria for above the line
5 | classification; not on whether the expense is embedded in the utility's rates
6 | or the utility generated net operating income or losses. Therefore, those
7 | cases in which expenses were classified above the line for Annual Report
8 | purposes, but below the line for gross-up refund purposes, because the
9 | expenses were not embedded in the utility's rates, were processed incorrectly.
10 | If an expense meets the criteria for above the line classification for Annual
11 | Report purposes, it should likewise be classified as above the line for gross-
12 | up refund purposes. Therefore, staff is not changing policy, rather, staff
13 | has corrected an incorrect method of allocating the expenses in the gross-up
14 | refund computation; i.e., staff has allocated expenses in the gross-up refund
15 | computation consistent with the way the expenses were allocated in the Annual
16 | Reports.

17 | Q. Do you believe that staff was inconsistent in applying its policy of
18 | determining what should be above the line and below the line in the gross-up
19 | refund computation for Gulf Utility?

20 | A. No. While I was not involved in the processing of the Gulf case, a
21 | review of the working file indicates that in 1996, Gulf included officers
22 | salary of \$29,856 and chemicals totalling \$29,543 below the line for gross-up
23 | refund purposes. The utility included these amounts above the line for Annual
24 | Report purposes. However, although these amount were included above the line
25 | in Gulf's Annual Report, they had been specifically disallowed by Commission

1 | order. As such, they should have been classified below the line for Annual
2 | Report purposes. As previously stated, below the line expenses include
3 | amounts that have specifically been disallowed by the Commission. Further,
4 | since the utility had not indexed those amounts -- and received improper
5 | revenues, I believe their inclusion below the line for gross-up refund
6 | purposes was appropriate, and staff was not inconsistent in applying its
7 | policy of determining what should be included above the line and below the
8 | line in the gross-up refund computation.

9 | Q. What is the purpose of the gross-up refund analysis, and why is the
10 | appropriate allocation of expenses between above the line and below the line
11 | operations necessary in performing that analysis?

12 | A. Order No. 23541 states that as a threshold, a utility should be able to
13 | demonstrate the existence of an actual tax liability on a regulated, above the
14 | line basis. The order also states that gross-up has a specific purpose -
15 | payment of the tax liability associated with the collection of CIAC. Order
16 | No. 16971 provides that annually following the preparation and filing of the
17 | utility's annual Federal and State income tax returns, a determination shall
18 | be made as to the actual Federal and State income tax expense that is directly
19 | attributable to the inclusion of CIAC income for the tax year. In addition,
20 | Orders Nos. 16971 and 23541 provide that gross-up amounts in excess of a
21 | utility's actual tax liability resulting from its collection of CIAC should
22 | be refunded on a pro rata basis to those persons who contributed the taxes.

23 | In order to determine the above the line tax liability associated with
24 | the collection of CIAC and the amount of refund; i.e., taxes collected in
25 | excess of the tax liability, if any, it is necessary to perform a gross-up

1 refund analysis, with the appropriate allocation of expenses between above and
2 below the line operations.

3 Q. Should North Fort Myers be allowed to offset CIAC gross-up refunds by
4 50 percent of the legal and accounting fees incurred by the utility?

5 A. No. The Commission has considered on several occasions, the question
6 of whether an offset should be allowed pursuant to the orders governing CIAC
7 gross-up. In the following orders, the Commission accepted the utility's
8 settlement proposals that 50 percent of the legal and accounting costs be
9 offset against the refund amount:

<u>DOCKET NO.</u>	<u>ORDER NO.</u>	<u>ISSUED</u>	<u>UTILITY NAME</u>
961077-SU	PSC-97-0647-FOF-SU	06/06/97	Eagle Ridge Util.
961237-SU	PSC-97-0648-FOF-SU	06/06/97	Forest Utilities
961152-SU	PSC-97-0656-AS-SU	06/09/97	Hudson Utilities
961076-WS	PSC-97-0657-AS-WS	06/09/97	Hydratech Utilities
970275-WS	PSC-97-0816-FOF-WS	07/07/97	Hydratech Utilities
970559-SU	PSC-97-1349-FOF-SU	10/27/97	Hudson Utilities
980076-SU	PSC-98-0316-AS-SU	02/23/98	Hudson Utilities
971529-WS	PSC-98-0319-AS-WS	02/23/98	Aloha Utilities
971658-SU	PSC-98-0320-AS-SU	02/23/98	Forest Utilities
980178-SU	PSC-98-0370-FOF-SU	03/06/98	Eagle Ridge Util.
931141-WS	PSC-98-0445-AS-WS	03/30/98	Parkland Utilities
980504-WS	PSC-98-0750-AS-WS	06/01/98	Hydratech Utilities
990744-SU	PSC-99-1748-PAA-SU	09/07/99	Fountain Lakes
991576-WS	PSC-99-2370-PAA-WS	12/06/99	Parkland Utilities

24 In the above cases, the Commission recognized that acceptance of the utility's
25 request would avoid the substantial cost associated with a hearing, which may

1 | have in fact exceeded the amount of the legal and accounting costs to be
2 | recovered. It was noted that the actual costs associated with making the
3 | refunds were not included in the calculations and would be absorbed by the
4 | utility. Further, the Commission considered the utility's request to be a
5 | reasonable "middle ground;" therefore, while not adopting the utility's
6 | position, the Commission accepted the utilities' request that they be allowed
7 | to offset 50 percent of the legal and accounting fees against the refund.
8 | Unlike the cases referenced above, this case is proceeding through the hearing
9 | process; therefore, I do not believe that an offset would be appropriate.

10 | In addition, it should be noted that Orders Nos. 16971 and 23541 do not
11 | provide for the netting of costs incurred with filing gross-up refund reports
12 | with the excess gross-up collections refund. Those orders specifically state
13 | that "all gross-up amounts in excess of a utility's actual tax liability
14 | resulting from its collection of CIAC should be refunded on a pro rata basis
15 | to those persons who contributed the taxes."

16 | Therefore, I believe that once the contributors have paid the gross-up
17 | taxes on the CIAC, the contributors have fulfilled their obligation under
18 | Orders Nos. 16971 and 23541. Further, since those orders also provide that
19 | gross-up in excess of the utility's actual tax liability be refunded on a pro
20 | rata basis to those persons who contributed the taxes, I believe that once the
21 | tax liability is determined, it is the responsibility of the Commission to
22 | ensure that excess payments of CIAC taxes are refunded in compliance with
23 | those orders. Therefore, I do not believe that a reduction in the amount of
24 | refund a contributor is entitled to receive as a result of his overpayment of
25 | gross-up taxes is appropriate.

1 The legal and accounting costs associated with preparing the gross-up
2 reports were incurred to satisfy regulatory requirements; therefore, I do not
3 believe that the contributors should be held responsible for those expenses.
4 I believe that this situation is similar to when a utility files for an
5 increase in service availability charges. The costs of processing the
6 utility's service availability case are borne by the general body of
7 ratepayers, although the charges are set for future customers only. I view
8 the accounting and legal costs incurred in preparing and processing the CIAC
9 gross-up reports as a necessary cost of doing business, and as such, I believe
10 that it is appropriate for the utility to seek recovery of those amounts in
11 a rate proceeding. Because unlike the other cases, this case is in fact
12 proceeding through the hearing process, I do not believe that the utility
13 should be allowed to offset the CIAC gross-up refunds by 50 percent of the
14 legal and accounting fees incurred.

15 Q. Does this conclude your testimony?

16 A. Yes.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Disposition of CIAC
gross-up funds collected by
North Fort Myers Utility, Inc.
in Lee County.

DOCKET NO. 971179-SU
ISSUED: JANUARY 31, 2000

Certificate of Service

I HEREBY CERTIFY that a true and correct copy of Direct Testimony of Christine G. Romig has been furnished by U.S. Mail this 31st day of January, 2000 to:

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