

MINUTES OF OCTOBER 15, 2002

COMMISSION CONFERENCE

COMMENCED: 9:35 a.m.

ADJOURNED: 12:01 p.m.

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

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

1** Consent Agenda

PAA A) Application for certificate to provide alternative local exchange telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
020653-TX	Litestream Technologies, LLC

PAA B) Applications for certificates to provide interexchange telecommunications service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
020911-TI	NECC Telecom, Inc.
020496-TI	Tralee Telephone Company, LLC
020579-TI	Nevada Telephone, Inc.
020852-TI	Litestream Technologies, LLC
020862-TI	ePHONE Telecom, Inc.

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

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
020979-TC	Christian Gayden d/b/a Skye Communication Co.
020973-TC	Metropolitan Payphones Corporation

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1**

Consent Agenda

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

DECISION: The recommendation was approved.

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

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CASE

2 Docket No. 020233-EI - Review of GridFlorida Regional
Transmission Organization (RTO) Proposal.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Jaber

Staff: GCL: Brubaker, C. Keating
 CMP: Futrell
 ECR: Ballinger, Bohrmann, Breman, Floyd, Harlow,
 Hewitt, Kummer, Baxter, Springer, Wheeler, E.
 Draper
 MMS: R. Bass, Buchan, Butler, Collins, Groom, Lowe,
 Noriega

ISSUE A: Should the Commission abate further proceedings in
this docket, in light of the automatic stay which is
effected by operation of law pursuant to Rule 9.310(b)(2),
Florida Rules of Appellate Procedure?

RECOMMENDATION: Yes. The Commission should abate the
October 31, 2002 administrative hearing, pending disposition
of OPC's appeal of Order No. PSC-02-1199-PAA-EI. No ruling
should be made with respect to Issues 1 through 8 of the
recommendation, and this docket should remain open pending
disposition of the appeal and any other further proceedings
that may be deemed necessary.

ISSUE 1: Should the Commission grant the Office of Public
Counsel's request for oral argument on its Motion for Stay
of Proceedings and Motion for Reconsideration of Order No.
PSC-02-1199-PAA-EI?

RECOMMENDATION: Yes. Oral argument would aid the
Commission in comprehending and evaluating the issues before
it, due to the complexity of this matter. Accordingly, for
purposes of this recommendation, Staff recommends that oral
argument should be limited to ten minutes for each side.

ISSUE 2: Should the Commission grant the Office of Public
Counsel's Motion for Stay of Proceedings and Motion for
Reconsideration of Order No. PSC-02-1199-PAA-EI?

RECOMMENDATION: No. OPC's motion for reconsideration of
Order No. PSC-02-1199-PAA-EI does not identify a point of
fact or law that the Commission overlooked or failed to
consider in rendering the Order. OPC's motion for
reconsideration is an untimely motion for reconsideration of

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CASE

2 Docket No. 020233-EI - Review of GridFlorida Regional
Transmission Organization (RTO) Proposal.

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the Commission's December 20 Order concerning the
GridFlorida RTO. OPC's motion for stay should be denied.
ISSUE 3: Should the Motion for Reconsideration filed by the
Florida Municipal Group (collectively, Lakeland Electric,
Kissimmee Utility Authority, Gainesville Regional Utilities,
and the City of Tallahassee) be granted?

RECOMMENDATION: No. FMG has not identified a point of fact
or law which was overlooked or which the Commission failed
to consider in rendering its decision. Therefore, the
motion for reconsideration should be denied.

ISSUE 4: Should the motion for reconsideration filed by
Reedy Creek Improvement District be granted?

RECOMMENDATION: No. Reedy Creek has not identified a point
of fact or law which was overlooked or which the Commission
failed to consider in rendering its decision. Therefore,
the motion for reconsideration should be denied.

ISSUE 5: Should the Motion for Reconsideration of Seminole
Electric Cooperative, Inc. and Calpine Corporation be
granted?

RECOMMENDATION: No. Seminole and Calpine's motion for
reconsideration with respect to the Attachment T cutoff date
should be denied pursuant to Rule 25-22.029, Florida
Administrative Code. Furthermore, neither issue raised in
the motion identifies a point of fact or law which was
overlooked or which the Commission failed to consider in
rendering its decision. Therefore, the motion for
reconsideration should be denied in its entirety.

ISSUE 6: Should the Motion for Clarification or
Reconsideration filed by the Florida Municipal Power Agency
be granted?

RECOMMENDATION: FMPA's motion should be granted, and the
Commission should clarify that the new facilities
demarcation date was intended to issue as proposed agency
action in Order No. PSC-02-1199-PAA-EI, so that the date
could be more fully discussed and examined at the October
31, 2002, expedited hearing in this docket.

ISSUE 7: Should the motion for reconsideration filed by
Florida Power Corporation be granted?

RECOMMENDATION: Consistent with staff's recommendation in
issue 6, FPC's motion should be granted and the Commission

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2 Docket No. 020233-EI - Review of GridFlorida Regional
Transmission Organization (RTO) Proposal.

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should clarify that the new facilities demarcation date was intended to issue as proposed agency action in Order No. PSC-02-1199-PAA-EI, so that the date could be more fully discussed and examined at the October 31, 2002 expedited hearing in this docket.

ISSUE 8: Should this docket be closed?

RECOMMENDATION: No. This docket should remain open to conduct the administrative hearing scheduled for October 31, 2002.

DECISION: Issue A was approved; there was no vote on Issues 1 through 8.

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

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3**

Docket No. 020507-TL - Complaint of Florida Competitive Carriers Association against BellSouth Telecommunications, Inc. regarding BellSouth's practice of refusing to provide FastAccess Internet Service to customers who receive voice service from a competitive voice provider, and request for expedited relief.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Baez

Staff: GCL: Christensen
CMP: Dowds

ISSUE 1: Should the Motion to Dismiss filed by BellSouth Telecommunications, Inc. be granted?

RECOMMENDATION: No. BellSouth's Motion to Dismiss should be denied.

ISSUE 2: Should the Motion for Summary Final Order filed by the Florida Competitive Carriers Association be granted?

RECOMMENDATION: No. The Motion for Summary Final Order filed by the Florida Competitive Carriers Association should be denied without prejudice.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: No. This docket should remain open for an evidentiary hearing on this matter.

DECISION: The recommendations were approved.

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

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CASE

4 Docket No. 020868-TL - Petition by BellSouth
Telecommunications, Inc. for investigation of wireless
carriers' request for BellSouth to provide
telecommunications service outside BellSouth's exchange.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Bradley

Staff: CMP: Barrett, Ileri
 GCL: Teitzman, Fordham

ISSUE 1: Should Nextel and Sprint's Requests for Oral
Argument on their Motions to Dismiss be granted?

RECOMMENDATION: Yes. Nextel and Sprint should be granted
oral argument, because it may aid the Commission in its
consideration of the jurisdictional issues to be addressed.

ISSUE 2: Should the Commission deny Nextel and Sprint's
Motions to Dismiss and, in the alternative, hold BellSouth's
petition in abeyance?

RECOMMENDATION: Yes. The Commission should deny Nextel and
Sprint's Motions to Dismiss and, in the alternative, hold
BellSouth's petition in abeyance pending resolution by the
Federal Communications Commission (FCC) of Sprint's Petition
for Declaratory Ruling. Pursuant to the applicable standard
of review for a Motion to Dismiss, BellSouth's petition
states a cause of action upon which relief may be granted;
furthermore, the petition raises questions of mixed
jurisdiction. However, the issues raised in BellSouth's
petition are the same underlying issues raised in Sprint's
Petition for Declaratory Ruling currently pending before the
FCC. Therefore, in the interest of judicial comity and
efficiency, the Commission should hold BellSouth's petition
in abeyance pending resolution of the FCC proceeding.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: No. If the Commission approves staff's
recommendation in Issue 2, this docket should remain open.

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4 Docket No. 020868-TL - Petition by BellSouth
Telecommunications, Inc. for investigation of wireless
carriers' request for BellSouth to provide
telecommunications service outside BellSouth's exchange.

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If, however, the Commission does not approve staff's
recommendation in Issue 2, this docket should be closed.

DECISION: The recommendations were approved with modification to Issue
2 that the docket is held in abeyance pending a ruling by the FCC and
that no ruling is made on the motions to dismiss.

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

ITEM NO.

CASE

5**

Docket No. 010908-EI - Complaint against Florida Power & Light Company regarding placement of power poles and transmission lines by Amy & Jose Gutman, Teresa Badillo, and Jeff Lessera. (Deferred from September 3, 2002 conference.)

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: GCL: McLean, C. Keating
AUS: Mills
CAF: Raspberry

ISSUE 1: Should the Commission grant FPL's motion to dismiss the petitioners' request for hearing on Order No. PSC-02-0788-PAA-EI?

RECOMMENDATION: Yes. The Commission should grant FPL's motion to dismiss, with prejudice, the petitioners' request for hearing on the portion of Order No. PSC-02-0788-PAA-EI issued as final agency action. The Commission should grant FPL's motion to dismiss, without prejudice, the petitioners' request for hearing on the portion of Order No. PSC-02-0788-PAA-EI issued as proposed agency action.

ISSUE 2: Should the Commission grant the petitioners' request to have their petition for hearing referred to the Division of Administrative Hearings ("DOAH") for an administrative hearing?

RECOMMENDATION: No. The Commission cannot refer to DOAH the petitioners' request for hearing on Part III of Order No. PSC-02-0788-PAA-EI because that portion of the Order was issued as final agency action upon which a hearing cannot be granted. It is within the Commission's discretion to refer to DOAH the petitioners' request for hearing on Part II of the Order, but such a decision would be premature at this time.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: No. This docket should remain open to allow the petitioners to amend their request for hearing consistent with staff's recommendation in Issue 1. If the petitioners do not file an amended petition within 20 days of the issuance of the order resulting from this recommendation, this docket should be administratively closed.

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5**

Docket No. 010908-EI - Complaint against Florida Power & Light Company regarding placement of power poles and transmission lines by Amy & Jose Gutman, Teresa Badillo, and Jeff Lessera. (Deferred from September 3, 2002 conference.)

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DECISION: The recommendations were approved.

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

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6 Docket No. 020829-EC - Petition for declaratory statement concerning urgent need for electrical substation in North Key Largo by Florida Keys Electric Cooperative Association, Inc., pursuant to Section 366.04, Florida Statutes.

Critical Date(s): 10/28/02 (By statute, order must be issued by this date.)

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: GCL: Moore
ECR: Breman

ISSUE 1: Should the Commission issue a declaratory statement that FKEC shall construct a new electric substation at a certain site no later than December 31, 2002?

RECOMMENDATION: No. The Commission should decline to issue the declaratory statement that FKEC requests. FKEC's declaratory statement petition does not meet the threshold requirements for a declaratory statement. There is no uncertainty or question about the applicability of law for the Commission to answer, nor will granting the petition resolve a controversy or serve the purpose of avoiding litigation. In addition, a proceeding that addresses the same subject matter is pending before the Florida Division of Administrative Hearings. Staff recommends that the Commission direct FKEC to file a report by December 31, 2002, on the status of its actions and plans to restore reliability.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. If the Commission votes to dispose of the petition for declaratory statement, the docket should be closed.

DECISION: The recommendations were approved.

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

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7**PAA

Docket No. 020824-EI - Petition for waiver of requirement of Rule 25-6.015(3), F.A.C., that records be preserved in accordance with April 1, 1994 version of applicable Federal Energy Regulatory Commission regulations, Title 18, Subchapter C, Part 125, Code of Federal Regulations, entitled "Preservation of Records of Public Utilities and Licensees," by Florida Power & Light Company.

Critical Date(s): Petition for rule waiver - the Commission must vote by October 23, 2002.

Commissioners Assigned: Full Commission
Prehearing Officer: Bradley

Staff: AUS: Vandiver
ECR: Slemkewicz
GCL: Vining

ISSUE 1: Should the utility's request for waiver of Rule 25-6.015(3), Florida Administrative Code, be granted?

RECOMMENDATION: Yes. The utility's request for waiver should be granted. The requested waiver will serve the purpose of the underlying statutes, and Florida Power & Light Company (FPL) will experience substantial hardship if its request is denied. The utility should also be required to petition for a new rule waiver if it changes the vendor or method used to copy its source documents.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

DECISION: This item was deferred.

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CASE

8**PAA

Docket No. 020724-TI - Investigation and determination of appropriate method for refunding overcharges assessed on intrastate calls made using one plus service provided by Optical Telephone Corporation.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Fondo
ECR: D. Draper
GCL: Knight, Dodson

ISSUE 1: Should the Commission accept Optical Telephone Corporation's offer of refund and refund calculation of \$140,842.97 plus interest of \$2,336.33, for a total of \$143,179.30, for overcharges to customers on intrastate calls made using one plus service from August 31, 2001 through June 3, 2002?

RECOMMENDATION: Yes. The Commission should accept Optical's proposal to refund to the affected customers \$140,842.97, plus interest of \$2,336.33, for a total of \$143,179.30, for overcharges made on intrastate calls made using Optical's one plus service from August 31, 2001, through June 3, 2002. At the end of the refund period, any unrefunded amount, including interest, should be remitted to the Commission by March 3, 2003, and forwarded to the Comptroller for deposit in the General Revenue Fund, pursuant to Section 365.285(1), Florida Statutes. Optical shall submit a final report as required by Rule 25-4.114, Florida Administrative Code, Refunds, by March 3, 2003. If Optical fails to pay in accordance with its refund offer, Certificate No. 7898 should be canceled administratively. If Optical's certificate is canceled in accordance with the Commission's Order, Optical should be required to immediately cease and desist providing interexchange telecommunications service in Florida.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If no person whose interests are substantially affected by the proposed action files a protest of the Commission's decision in Issue 1 within the 21-day protest period, the Commission's Order will become final upon issuance of the Consummating Order. This docket should, however, remain open pending the completion of the

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8**PAA

Docket No. 020724-TI - Investigation and determination of appropriate method for refunding overcharges assessed on intrastate calls made using one plus service provided by Optical Telephone Corporation.

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refund and receipt of the final report on the refund, March 3, 2003. After completion of the refund and receipt of the final refund report, this docket should be closed administratively.

DECISION: This item was deferred.

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CASE

9**PAA

Docket No. 020646-TX - Compliance investigation of CAT Communications International, Inc. for apparent violation of Rule 25-4.110(16), F.A.C., Customer Billing for Local Exchange Telecommunications Companies.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: M. Watts
GCL: Elliott

ISSUE 1: Should the Commission order CAT Communications International, Inc. to remove local service freezes, at no cost to its customers, on all active customers' lines for apparent violation of Rule 25-4.110(16), Florida Administrative Code, and order CAT Communications International, Inc. to notify all active customers in writing that local service freezes have been removed and that, upon request, a local service freeze is available at no cost to the customer?

RECOMMENDATION: Yes. Staff recommends that the Commission should order CAT Communications International, Inc. to do the following to remedy its apparent violation of Rule 25-4.110(16), Florida Administrative Code:

1. Identify by telephone number all customer lines which have a local service freeze assigned;
2. Submit local service requests (LSRs) to the appropriate underlying local exchange company to remove all local service freezes at no cost to its customers; and
3. Notify all active customers in writing that a local service freeze is available at no cost to the customer. The letter should clearly state that the option for a local service freeze is exclusively the right of the customer.

If the Proposed Agency Action Order is not protested within 21 calendar days of issuance, the Commission's order will become final upon issuance of the Consummating Order. The company should be required to submit a written report to the Commission no later than 30 calendar days after the issuance of the Consummating Order. The company's written report should contain the following:

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Docket No. 020646-TX - Compliance investigation of CAT Communications International, Inc. for apparent violation of Rule 25-4.110(16), F.A.C., Customer Billing for Local Exchange Telecommunications Companies.

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- a. A list of the telephone numbers on which the company had placed a local service freeze;
- b. A list of the purchase order numbers, by telephone number, for which the company submitted an LSR to the underlying local exchange companies to remove the local service freezes;
- c. A copy of the notification sent to CCI's customers in accordance with 3. above;
- d. A copy of the company's current letter of authorization; and
- e. A statement that CCI does not require a local service freeze as a condition of service.

If the Proposed Agency Action Order is not protested within 21 calendar days of issuance, and if the company fails to comply with the terms of the Proposed Agency Action Order, then ALEC Certificate Number 7160 should be canceled for apparent failure to comply with Rule 25-4.110(16), Florida Administrative Code, and with the Commission's decision from this recommendation, and the company should be required to immediately cease and desist providing ALEC telecommunications service in Florida.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected by the Commission's proposed agency action files a protest of the Commission's decision on Issue 1 within the 21-day protest period, the Commission's Proposed Agency Action Order will become final upon issuance of a Consummating Order. If the Commission's Order is not protested, CCI will have 30 calendar days after issuance of the Consummating Order to submit a written report to the Commission demonstrating that it has complied with the provisions of the Commission's Order. If staff determines that CCI has complied with the provisions of the Commission's Order, then this docket should be closed administratively. If CCI fails to demonstrate that it has complied with the provisions of the Commission's Order, then ALEC Certificate Number 7160 should be canceled, the company

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Docket No. 020646-TX - Compliance investigation of CAT Communications International, Inc. for apparent violation of Rule 25-4.110(16), F.A.C., Customer Billing for Local Exchange Telecommunications Companies.

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should be required to immediately cease and desist providing ALEC telecommunications service in Florida, and this docket should be closed administratively.

DECISION: This item was deferred.

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10**PAA

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Docket No. 020654-TI - Capsule Communications, Inc.
Docket No. 020655-TI - Atlas Communication Consultants, Inc.
Docket No. 020656-TI - EqualNet Corporation
Docket No. 020658-TI - CTS Telcom, Inc.
Docket No. 020659-TI - American Telesource International, Inc.
Docket No. 020661-TI - Federal TransTel, Inc.
Docket No. 020662-TI - Ursus Telecom Corp.
Docket No. 020663-TI - Blue Shift Telecom, Ltd.
Docket No. 020676-TI - TELCAM, Telecommunications Company of the Americas, Inc.
Docket No. 020679-TI - United Services Telephone, LLC
Docket No. 020688-TI - Telecom Network System International, Inc. d/b/a TNS
Docket No. 020691-TI - 2nd Century Communications, Inc.
Docket No. 020696-TI - USC Telecom, Inc.
Docket No. 020698-TI - i-TeleCo.com, Inc.
Docket No. 020699-TI - Connect!LD, Inc.
Docket No. 020704-TI - BroadRiver Communication Corporation
Docket No. 020705-TI - MultiPhone Latin America, Inc.
Docket No. 020716-TI - Cybertel, Communications Corp.
Docket No. 020717-TI - eVulkan, Inc. d/b/a beMANY!
Docket No. 020718-TI - Radio Communications Corporation
d/b/a RCC Radio Communications Corporation
Docket No. 020723-TI - Global Broadband, Inc.
Docket No. 020728-TI - Backbone Communications Inc.
Docket No. 020729-TI - Eureka Telecom, LLC
Docket No. 020730-TI - Evolution Networks South, Inc.
Docket No. 020734-TI - Summit Telco, L.L.C.
Docket No. 020736-TI - RapTel Communications, LLC
Docket No. 020750-TI - Quick Tel, Inc.
Docket No. 020751-TI - TotalCom America Corporation
Docket No. 020752-TI - IntelleCare.FL., Inc.
Docket No. 020754-TI - Miketronics, Inc.
Docket No. 020758-TI - Aventura Networks, Inc.
Docket No. 020660-TI - Intercontinental Communications Group, Inc. d/b/a Fusion Telecom, also d/b/a Fusion - Trucker d/b/a Call-4-Less

Docket No. 020671-TI - World Telecommunications Services, Inc.

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10**PAA

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

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Docket No. 020672-TI - Starlink Communications, LLC
Docket No. 020686-TI - Axsys, Inc./TEL PTNS
Docket No. 020690-TI - Long Distance America, Inc.
Docket No. 020693-TI - ACG Telecom Services Incorporated
Docket No. 020697-TI - Ozark Telecom, Inc.
Docket No. 020700-TI - United Technological Systems, Inc.
Docket No. 020703-TI - FairPoint Communications Solutions Corp.
Docket No. 020687-TI - iTELSA (USA), Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Dodson, Teitzman, Elliott, Christensen,
Knight, Fordham

ISSUE 1: Should the Commission impose a \$500 penalty or cancel each company's respective certificate as listed on Attachment A of staff's October 3, 2002 memorandum for apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should impose a \$500 penalty or cancel each company's respective certificate as listed on Attachment A for apparent violation of Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, Florida Administrative Code, if the penalty and the Regulatory Assessment Fees, including statutory penalty and interest charges, are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission and forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If a company does not protest the Commission's

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Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, are not received, that company's certificate, as listed on Attachment A, should be cancelled administratively and the collection of the past due fees should be referred to the Office of the Comptroller for further collection efforts. If a company's certificate, as listed on Attachment A, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier telecommunications service in Florida. ISSUE 2: Should the Commission impose a \$1,000 penalty or cancel each company's respective certificate as listed on Attachment B of staff's October 3, 2002 memorandum for apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should impose a \$1,000 penalty or cancel each company's respective certificate as listed on Attachment B for apparent violation of Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, Florida Administrative Code, if the penalty and the Regulatory Assessment Fees, including statutory penalty and interest charges, are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission and forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If a company does not protest the Commission's Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, are not received, that company's certificate, as listed on Attachment B, should be cancelled administratively and the collection of the past due fees should be referred to the Office of the Comptroller for further collection efforts. If a company's certificate, as listed on Attachment B, is cancelled in accordance with the Commission's Order from

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10**PAA

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

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this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier telecommunications service in Florida. ISSUE 3: Should the Commission cancel iTELSA (USA), Inc.'s Certificate No. 5672 as listed on Attachment C of staff's October 3, 2002 memorandum for apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should cancel iTELSA (USA), Inc.'s Certificate No. 5672 as listed on Attachment C for apparent violation of Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, Florida Administrative Code. If the past due fee, including statutory penalty and interest charges, is not received within fourteen (14) calendar days after the issuance of the Consummating Order, the amount shall be turned over to the Office of the Comptroller for further collection efforts. If the Commission's Order is not protested, the company's Certificate No. 5672 as listed on Attachment C should be cancelled administratively. If iTELSA (USA), Inc.'s certificate as listed on Attachment C is cancelled in accordance with the Commission's Order from this recommendation, iTELSA (USA), Inc. should be required to immediately cease and desist providing interexchange telecommunications service in Florida.

ISSUE 4: Should these dockets be closed?

RECOMMENDATION: The Orders issued from these recommendations will become final upon issuance of Consummating Orders, 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 Orders. The dockets should then be closed upon receipt of the penalty and fees or cancellation of each company's respective certificate. A protest in one docket should not prevent the action in a separate docket from becoming final.

DECISION: The recommendations were approved.

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Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

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

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11**PAA

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rules 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-24.480, F.A.C., Records & Reports; Rules Incorporated.

Docket No. 020677-TI - TeleHub Network Services Corporation
Docket No. 020694-TI - PARCOM Communications, Inc.
Docket No. 020719-TI - Global Telelink Services, Inc.
Docket No. 020720-TI - IPVoice Communications, Inc.
Docket No. 020721-TI - GRG, Inc. of Nevada
Docket No. 020722-TI - PatriotCom Inc.
Docket No. 020731-TI - Sigma Networks Telecommunications, Inc.
Docket No. 020732-TI - Ecocom USA Limited Corporation
Docket No. 020733-TI - Telicor Inc.
Docket No. 020747-TI - NxGen Networks, Inc.
Docket No. 020748-TI - Debit One Communications, Inc.
Docket No. 020749-TI - Zephion Networks Communications, Inc.
Docket No. 020753-TI - Y & B Services Corporation d/b/a Plastigol Miami and d/b/a Orbitel USA
Docket No. 020657-TI - World Pass Communication Corp.
Docket No. 020678-TI - Mony Travel Services of Florida, Inc.
Docket No. 020692-TI - Legends Communications, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Teitzman, Elliott, Dodson, Knight, Christensen

ISSUE 1: Should the Commission impose a total penalty of \$1,000 (\$500 for each rule violation) or cancel each company's respective certificate as listed on Attachment A of staff's October 3, 2002 memorandum for apparent violation of Rules 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code, and 25-24.480, Florida Administrative Code, Records & Reports; Rules Incorporated?

RECOMMENDATION: Yes. The Commission should impose a total penalty of \$1,000 (\$500 for the RAFs violation and \$500 for the Reporting Requirements violation) or cancel each

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CASE

11**PAA

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rules 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-24.480, F.A.C., Records & Reports; Rules Incorporated.

(Continued from previous page)

company's respective certificate as listed on Attachment A for apparent violation of Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, Florida Administrative Code, if the penalty, Regulatory Assessment Fees, including statutory penalty and interest charges, and the information required by Rule 25-24.480, Florida Administrative Code, Records & Reports; Rules Incorporated, are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The total penalty of \$1,000 should be paid to the Florida Public Service Commission and forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If a company does not protest the Commission's Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, and required information are not received, that company's certificate, as listed on Attachment A, should be cancelled administratively and the collection of the past due fees should be referred to the Office of the Comptroller for further collection efforts. If a company's certificate, as listed on Attachment A, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier telecommunications service in Florida.

ISSUE 2: Should the Commission impose a \$1,500 total penalty or cancel each company's respective certificate as listed on Attachment B of staff's October 3, 2002 memorandum for apparent violation of Rules 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code, and 25-24.480, Florida Administrative Code, Records & Reports; Rules Incorporated?

RECOMMENDATION: Yes. The Commission should impose a total penalty of \$1,500 (\$1,000 for RAFs violation and \$500 for reporting requirements violation) or cancel each company's respective certificate as listed on Attachment B for

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11**PAA

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rules 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-24.480, F.A.C., Records & Reports; Rules Incorporated.

(Continued from previous page)

apparent violation of Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, Florida Administrative Code, if the penalty, the Regulatory Assessment Fees, including statutory penalty and interest charges, and required information are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The total penalty of \$1,500 should be paid to the Florida Public Service Commission and forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If a company does not protest the Commission's Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, and required information are not received, that company's certificate, as listed on Attachment B, should be cancelled administratively and the collection of the past due fees should be referred to the Office of the Comptroller for further collection efforts. If a company's certificate, as listed on Attachment B, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier telecommunications service in Florida.

ISSUE 3: Should the Commission cancel Legends Communications, Inc.'s Certificate No. 6094 as listed on Attachment C of staff's October 3, 2002 memorandum for apparent violation of Rules 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code, and 25-24.480, Florida Administrative Code, Records & Reports; Rules Incorporated? RECOMMENDATION: Yes. The Commission should cancel Legends Communications, Inc.'s Certificate No. 6094 as listed on Attachment C for apparent violation of Rules 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code, and 25-24.480, Florida

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Cancellation by Florida Public Service Commission of IXC certificates for violation of Rules 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-24.480, F.A.C., Records & Reports; Rules Incorporated.

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Administrative Code, Records & Reports; Rules Incorporated. If the past due fee, including statutory penalty and interest charges, and the information required by Rule 25-24.480, Florida Administrative Code, are not received within fourteen (14) calendar days after the issuance of the Consummating Order, the past due RAF amount shall be turned over to the Office of the Comptroller for further collection efforts. If the Commission's Order is not protested, the company's Certificate No. 6094 should be cancelled administratively. If Legends Communications, Inc.'s certificate is cancelled in accordance with the Commission's Order from this recommendation, Legends Communications, Inc. should be required to immediately cease and desist providing interexchange telecommunications service in Florida.

ISSUE 4: Should these dockets be closed?

RECOMMENDATION: The Orders issued from these recommendations will become final upon issuance of Consummating Orders, 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 Orders. The dockets should then be closed

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11**PAA	Cancellation by Florida Public Service Commission of IXC certificates for violation of Rules 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-24.480, F.A.C., Records & Reports; Rules Incorporated. (Continued from previous page) upon receipt of the penalty and fees or cancellation of each company's respective certificate. A protest in one docket should not prevent the action in a separate docket from becoming final.

DECISION: The recommendations were approved.

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

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<u>ITEM NO.</u>	<u>CASE</u>
12**PAA	<p>Docket No. 010383-GU - Application for approval of new depreciation rates by Tampa Electric Company d/b/a Peoples Gas System.</p> <p>Critical Date(s): 12/13/02 (Rate case hearing in Docket No. 020384-GU.)</p> <p>Commissioners Assigned: Full Commission Prehearing Officer: Jaber</p> <p>Staff: ECR: Gardner, P. Lee, Kenny GCL: Stern</p> <p><u>ISSUE 1</u>: Should currently prescribed depreciation rates of Peoples Gas System be changed? <u>RECOMMENDATION</u>: Yes. A comprehensive review of Peoples Gas System's (Peoples or company) planning and activity since its prior depreciation filing indicates a need for a revision in the currently prescribed depreciation rates.</p> <p><u>ISSUE 2</u>: What should be the implementation date for the new rates? <u>RECOMMENDATION</u>: Staff recommends approval of the company's requested January 1, 2003, implementation date for new rates.</p> <p><u>ISSUE 3</u>: Should any corrective reserve allocations between accounts be made? <u>RECOMMENDATION</u>: Yes. Staff recommends the reserve allocations shown on Attachment A, page 17 of staff's October 3, 2002 memorandum. These allocations bring each account more in line with its theoretically correct reserve level.</p> <p><u>ISSUE 4</u>: What are the appropriate remaining lives, net salvage, reserve amounts, and resultant depreciation rates for Peoples Gas System? <u>RECOMMENDATION</u>: The Staff's recommended remaining lives, net salvage value, reserves and resultant rates are shown on Attachment B, page 18 of staff's October 3, 2002 memorandum. The rates, based on estimated investments as of December 31, 2002, would result in an increase in an annual expense of about \$670,000 as summarized on Attachment C, page 19.</p>

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CASE

12**PAA

Docket No. 010383-GU - Application for approval of new depreciation rates by Tampa Electric Company d/b/a Peoples Gas System.

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ISSUE 5: Should the current amortization of investment tax credits and the flowback of excess deferred income taxes be revised to reflect the approved depreciation rates and recovery schedules?

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<u>ITEM NO.</u>	<u>CASE</u>
12**PAA	Docket No. 010383-GU - Application for approval of new depreciation rates by Tampa Electric Company d/b/a Peoples Gas System. (Continued from previous page) <u>RECOMMENDATION</u> : Yes. The current amortization of investment tax credits (ITCs) and the flowback of excess deferred income taxes (EDIT) should be revised to match the actual recovery periods for the related property. The utility should file detailed calculations of the revised ITC amortization and flowback of EDIT at the same time it files its surveillance report covering the period ending December 31, 2003. <u>ISSUE 6</u> : Should this docket be closed? <u>RECOMMENDATION</u> : 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: Jaber, Deason, Baez, Palecki, Bradley

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13**PAA

Docket No. 020648-EI - Petition for approval of environmental cost recovery of St. Lucie Turtle Net Project for period of 4/15/02 through 12/31/02 by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: ECR: Breman, D. Lee
GCL: Stern

ISSUE 1: Should the Commission approve FPL's proposed Turtle Net Project as a new project for cost recovery through the ECRC?

PRIMARY RECOMMENDATION: The Commission should approve only the costs incurred for installation and maintenance of the new net because those are the only costs that are environmental compliance costs under Section 366.8255. Costs incurred for diving are typical ongoing O&M costs being recovered by FPL's current base rates and therefore are not appropriate for recovery through the ECRC.

ALTERNATIVE RECOMMENDATION: Yes. The activities FPL has proposed are necessary to prudently implement an environmental requirement. Costs incurred for diving are typical ongoing O&M costs being recovered by FPL's current base rates and therefore are not appropriate for recovery through the ECRC.

DECISION: The primary recommendation was denied; the alternative recommendation was approved.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. This docket should be closed upon issuance of the Consummating Order unless a person whose

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13**PAA

Docket No. 020648-EI - Petition for approval of environmental cost recovery of St. Lucie Turtle Net Project for period of 4/15/02 through 12/31/02 by Florida Power & Light Company.

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substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

DECISION: The recommendation was approved.

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

<u>ITEM NO.</u>	<u>CASE</u>
14**PAA	<p>Docket No. 020010-WS - Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P.</p> <p>Critical Date(s): 15-month effective date waived (SARC)</p> <p>Commissioners Assigned: Full Commission Prehearing Officer: Deason</p> <p>Staff: ECR: Moniz, Davis, Lingo GCL: Echternacht</p> <p><u>ISSUE 1:</u> Is the quality of service provided by The Woodlands of Lake Placid, L.P., considered satisfactory? <u>RECOMMENDATION:</u> The quality of service provided by The Woodlands of Lake Placid, L.P., should be considered satisfactory; however, the utility should be required to complete the pro forma plant modification for the wastewater treatment plant within 120 days of the issuance of the Consummating Order. The docket should remain open for staff to verify the project as complete.</p> <p><u>ISSUE 2:</u> What portions of utility plant in service serving the territory known as The Woodlands of Lake Placid, L.P., are used and useful? <u>RECOMMENDATION:</u> The water treatment plant is considered to be 100% used and useful, the water distribution system is considered to be 86.9% used and useful with the exception of meters and meter installations (Account No. 334) which should be 100% used and useful, the wastewater treatment plant is considered to be 59% used and useful, and wastewater collection system is considered to be 84.6% used and useful.</p> <p><u>ISSUE 3:</u> What is the appropriate average test year rate base for the utility? <u>RECOMMENDATION:</u> The appropriate average test year rate base for the utility is \$218,618 for water and \$191,341 for wastewater. The utility should be required to complete all pro forma additions, as discussed in the analysis portion of staff's October 3, 2002 memorandum, within 120 days of the issuance of the Consummating Order.</p> <p><u>ISSUE 4:</u> What is the appropriate rate of return on equity and the appropriate overall rate of return for this utility? <u>RECOMMENDATION:</u> The appropriate rate of return on equity is 11.10% with a range of 10.10% - 12.10%. The appropriate overall rate of return for the utility is 7.18%.</p>

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14**PAA

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

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ISSUE 5: What are the appropriate test year revenues?

RECOMMENDATION: The appropriate test year revenues for this utility are \$98,155 for water and \$50,544 for wastewater.

ISSUE 6: What is the appropriate amount of operating expense?

RECOMMENDATION: The appropriate amount of operating expense for this utility is \$49,160 for water and \$42,054 for wastewater.

ISSUE 7: What are the appropriate revenue requirements?

RECOMMENDATION: The appropriate revenue requirements for water and wastewater are \$64,858 and \$55,792, respectively.

ISSUE 8: What is the appropriate residential gallonage cap for wastewater service?

RECOMMENDATION: The appropriate residential gallonage cap for wastewater service should be 8,000 gallons for residential customers.

ISSUE 9: Should the utility's current flat rate structure for its water system be continued, and, if not, what is the appropriate rate structure?

RECOMMENDATION: No. A continuation of the utility's current flat rate structure for its water system is not appropriate in this case. The water system rate structure should be changed to a traditional base facility charge (BFC)/gallonage charge rate structure. In addition, staff recommends that 19% of the BFC cost recovery be shifted to the gallonage charge, resulting in a pre-repression cost recovery split of 35% from the BFC and 65% from the gallonage charge.

ISSUE 10: Are adjustments to the water and wastewater systems to reflect repression of consumption appropriate in this case, and, if so, what are the appropriate repression adjustments?

RECOMMENDATION: Yes. Repression adjustments of 4,861 kgal to the water system and 3,889 kgal to the wastewater system are appropriate in this case. In order to monitor the effects of both the change in rate structure and the recommended revenue increase, the utility should be ordered to prepare monthly reports detailing the number of bills rendered, the consumption billed, and the revenue billed.

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These reports should be provided, by customer class and meter size, on a quarterly basis for a period of two years, beginning with the first billing period after the increased rates go into effect.

ISSUE 11: What are the appropriate rates for each system?

RECOMMENDATION: The recommended rates should be designed to produce revenues of \$70,106 for water and \$50,544 for wastewater excluding miscellaneous service charges, as shown in the analysis portion of staff's October 3, 2002 memorandum. The approved 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. The rates should not be implemented until 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 the notice.

ISSUE 12: What is the appropriate amount 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?

RECOMMENDATION: The water and wastewater rates should be reduced as shown on Schedules 4 and 4A of staff's October 3, 2002 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.

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14**PAA

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

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ISSUE 13: In the event of a protest of the Proposed Agency Action (PAA) Order, should any amount of annual water revenues be held subject to refund?

RECOMMENDATION: Yes. In the event of a protest of the PAA Order, the utility should be allowed to continue collecting current rates as temporary rates. However, in order to protect utility customers from potential overearnings, the utility should hold \$33,298 (33.92%) of annual service revenues subject to refund. In the event of a protest, the security should be in the form of a bond or letter of credit. Alternatively, the utility could establish an escrow agreement with an independent financial institution. If security is provided through an escrow agreement, the utility should escrow 33.92% of its monthly water service revenues. By no later than the twentieth day of each month, the utility should file a report showing the amount of revenues collected each month and the amount of revenues collected to date relating to the amount 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.

ISSUE 14: Should Woodlands be ordered to refund the revenues collected from its unauthorized rate increase and if so, what is the amount and how should it be distributed?

RECOMMENDATION: Yes. The utility should refund the revenues collected from its unauthorized rate increase. The utility should credit \$6.29 or 62.86% of the unauthorized rate increase for water collected from January 1998 until the effective date of the final rates. 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 until the implementation of the Commission-approved final rates. The utility should be allowed to make refunds over the same amount of time it collected its unauthorized 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

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14**PAA	Docket No. 020010-WS - Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P.
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utility. The utility should provide refund reports pursuant to Rule 25-30.360(7), Florida Administrative Code. The utility should treat any unclaimed refunds in accordance with Rule 25-30.360(8), Florida Administrative Code.

ISSUE 15: Should this docket be closed?

RECOMMENDATION: No. If no timely protest is received upon expiration of the protest period, the PAA Order will become final upon the issuance of a Consummating Order. However, this docket should remain open for an additional five months from the Consummating Order to allow staff time to verify the completion of the pro forma plant items as described in Issue No. 3. Once staff has verified that this work has been completed, the docket should be closed administratively. Additionally, staff should continue to monitor the required refunds for the duration of the refund period. If the utility fails to meet the requirements of the refund, at any point in time during the refund period, a new docket should be opened to address possible violations of the refund ordered.

DECISION: This item was deferred.

ITEM NO.

CASE

16**

Docket No. 020775-WS - Joint petition for acknowledgment of corporate reorganization and for name change on Certificates Nos. 533-W and 464-S in Lake County from Southlake Utilities, Inc. to Southlake Water Works, L.L.C. d/b/a Southlake Utilities.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: ECR: Johnson
GCL: Crosby, Helton

ISSUE 1: Should the Commission acknowledge the proposed corporate reorganization and name change of Southlake Utilities, Inc.?

RECOMMENDATION: Yes. The proposed corporate reorganization and name change of Southlake Utilities, Inc. to Southlake Water Works, L.L.C. d/b/a Southlake Utilities should be acknowledged. Southlake and Water Works should be required to provide proof of registration of the fictitious name of the utility with the Florida Division of Corporations prior to March 1, 2003. The utility has submitted tariff sheets reflecting the name change which will be effective for services provided or connections made on or after March 1, 2003. The utility should be put on notice that it may not operate under the fictitious name until it is registered with the Florida Department of State.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. The docket should remain open pending receipt of proof of registration for the utility's fictitious name with the Division of Corporations, Florida Department of State, and completion of noticing of the

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16**

Docket No. 020775-WS - Joint petition for acknowledgment of corporate reorganization and for name change on Certificates Nos. 533-W and 464-S in Lake County from Southlake Utilities, Inc. to Southlake Water Works, L.L.C. d/b/a Southlake Utilities.

(Continued from previous page)

utility's customers of the reorganization and name change. Once proof of registration is received and the noticing has been completed, the docket should be closed administratively.

DECISION: The recommendations were approved.

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

ITEM NO.

CASE

17**

Docket No. 020925-WU - Request for approval of bulk irrigation class of service in Martin County by Miles Grant Water and Sewer Company.

Critical Date(s): 10/27/02 (60-day suspension date)

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: ECR: Rendell, Sargent
GCL: C. Keating

ISSUE 1: Should Miles Grant Water and Sewer Company's request for a new class of service for bulk irrigation be approved?

RECOMMENDATION: Yes. Miles Grant's request for a new class of service for bulk irrigation should be approved. The utility should be allowed to continue collection of the bulk irrigation rates currently being charged, and Tariff Sheet No. 18.1 should be approved as filed pursuant to Rule 25-30.475, Florida Administrative Code, for service rendered as of the stamped approval date on the tariff sheets.

ISSUE 2: Should Miles Grant Water and Sewer Company be ordered to show cause why it should not be fined for collecting charges not approved by the Commission, in apparent violation of Section 367.091(4), Florida Statutes?

RECOMMENDATION: No. Miles Grant should not be ordered to show cause why it should not be fined for collecting charges not approved by the Commission, in apparent violation of Section 367.091(4), Florida Statutes?

ISSUE 3: Should the docket be closed?

RECOMMENDATION: Yes. If Issue 1 is approved, the new tariff should become effective on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475, Florida Administrative Code. If a protest is filed within 21 days of the issuance date of the Order, the tariff

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17**

Docket No. 020925-WU - Request for approval of bulk irrigation class of service in Martin County by Miles Grant Water and Sewer Company.

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should remain in effect with all bulk irrigation charges held subject to refund pending resolution of the protest, and the docket should remain open. If no timely protest is filed, the docket should be closed upon the issuance of a Consummating Order.

DECISION: The recommendations were approved.

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

<u>ITEM NO.</u>	<u>CASE</u>
18**	<p>Docket No. 992015-WU - Application for limited proceeding to recover costs of water system improvements in Marion County by Sunshine Utilities of Central Florida, Inc.</p> <p>Critical Date(s): None</p> <p>Commissioners Assigned: Deason, Baez, Bradley Prehearing Officer: Baez</p> <p>Staff: ECR: Fletcher, Merchant, Willis GCL: Jaeger</p> <p><u>ISSUE 1:</u> Should the Commission approve the settlement agreement between the utility and OPC? <u>RECOMMENDATION:</u> Yes. All terms of the settlement are reasonable and should be approved. The utility should advise staff of the date the project will be complete. Prior to the implementation of any rate increase, the utility should be required to file revised tariff sheets and a proposed customer notice to reflect the appropriate rates pursuant to Rule 25-22.0407(10), Florida Administrative Code. 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 and upon staff's verification that the tariff sheets are consistent with the Commission decision. The utility should provide proof of the date notice was given within 10 days after the date of the notice. When the limited proceeding rate increase has been in effect for four years, the rates should be reduced to reflect the removal of revenues associated with the amortization of rate case expense. Immediately following the expiration of the four-year recovery period, the utility should be required to file revised tariff sheets and a proposed customer notice setting forth the lower rates and the reason for the reduction not later than one month prior to the actual date of the required rate reduction.</p> <p><u>ISSUE 2:</u> Should this docket be closed? <u>RECOMMENDATION:</u> No. This docket should be closed administratively upon staff's verification that the utility's revised tariff sheets are consistent with the Commission's decision and the appropriate customer notice has been made.</p> <p><u>DECISION:</u> The recommendations were approved.</p>

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CASE

18**

Docket No. 992015-WU - Application for limited proceeding to recover costs of water system improvements in Marion County by Sunshine Utilities of Central Florida, Inc.

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Commissioners participating: Deason, Baez, Bradley