

VOTE SEEET

JUME 24, 1997

RE: DOCKET NO. 976275-WS - Disposition of gross-up funds collected by Hydratech Utilities, Inc. in Martin County.

<u>Issue 1</u>: Should the Commission accept Hydratech Utilities, Inc.'s settlement proposal of May 12, 1997, for the disposition of gross-up funds collected?

Recommendation: Yes. The Commission should accept Hydratech Utilities, Inc.'s settlement proposal of May 12, 1997, regarding the disposition of gross-up funds collected in 1995. Based on acceptance of the settlement offer, staff recommends that \$3,374 and \$2,437 of accounting and legal fees, respectively, be offset against the calculated refund of \$71,902. As a result, the utility should be ordered to refund \$66,091, plus accrued interest through the date of the refund, for gross-up collected in excess of the above-the-line tax liability resulting from the collection of taxable CIAC.

According to Orders No. 16971 and 23541, all amounts should be refunded on a pro rata basis to those persons who contributed the taxes. The refunds should be completed within 6 months of the effective date of the order. Within 30 days from the date of the refund, the utility should submit copies of canceled checks, credits applied to the monthly bills or other evidence that verifies the utility has made the refunds. Within 30 days from the date of the refund, the utility should also provide a list of unclaimed refunds detailing contributor and amount, and an explanation of the efforts made to make the refunds.

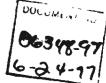
APPROVED

COMMISSIONERS ASSIGNED: JM CL GR

COMMISSIONERS' SIGNATURES

MAJORITY	DISSENTING
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REMARKS/DISSENTING COMMENTS:



JUNE 24, 1997

DOCKET NO. 970275-WS - Disposition of gross-up funds collected by Hydratech Utilities, Inc. In Martin County.

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Issue 2: Should the docket be closed?

Recommendation: No. If the Commission accepts Hydratech's settlement proposal, upon expiration of the 21-day protest period, if no protest is received from a substantially affected person, this docket should remain open pending staff's verification of refunds. Staff should be given administrative authority to close the docket upon verification that the refunds have been completed.

APPROVED