FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

March 27, 2012

Docket No. 090445-WS – Application for original certificates for proposed water and wastewater system and request for initial rates and charges in Indian River, Okeechobee and St. Lucie counties by Grove Land Utilities, LLC.

<u>Issue 1:</u> Should the application for original water and wastewater certificates by Grove Land Utilities, LLC be approved?

Recommendation: Yes. Grove Land should be granted Certificate Nos. 658-W and 563-S to serve the territory described in Attachment A of staff's memorandum dated March 15, 2012, effective the date of the Commission's vote. The resultant order should serve as the utility's water and wastewater certificates and it should be retained by the utility. Grove Land should be required to file executed copies of its water and wastewater lease agreements, containing a legal description of the lease sites, within 30 days after the date of the order granting the certificates.

DEFERRED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

DISSENTING
COCUMENT NUMBER - DATE
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<u>Issue 2:</u> What are the appropriate potable water and wastewater rates and return on investment for Grove Land Utilities, LLC?

Recommendation: Grove Land's potable water and wastewater rates shown on Schedule Nos. 1 and 2, respectively of staff's memorandum dated March 15, 2012, are reasonable and should be approved. The approved rates should be effective for services rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, F.A.C. Grove Land should be required to charge the approved rates until authorized to change them by the Commission in a subsequent proceeding. A return on equity of 11.16 percent plus or minus 100 basis points should also be approved.

DEFERRED

Issue 3: What are the appropriate water and wastewater service availability policy and charges for Grove Land Utilities, LLC?

Recommendation: Grove Land's proposed service availability policy and charges shown on Schedule Nos. 1 and 2 of staff's memorandum dated March 15, 2012, should be approved. The approved charges should be effective for connections made on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, F.A.C. Grove Land should be required to collect its approved service availability charges until authorized to change them by the Commission in a subsequent proceeding.

DEFERRED

Issue 4: Should Grove Land Utilities, LLC's proposed miscellaneous service charges be approved? **Recommendation:** Yes. Grove Land's proposed miscellaneous service charges should be approved and effective for services rendered or connections made on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, F.A.C. Grove Land should be required to charge its approved miscellaneous

service charges until authorized to change them by the Commission in a subsequent proceeding.

DEFERRED

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<u>Issue 5</u>: What is the appropriate Allowance for Funds Used During Construction (AFUDC) rate for Grove Land Utilities, LLC?

<u>Recommendation</u>: An annual AFUDC rate of 8.06 percent and a discounted monthly rate of 0.64806124 percent should be approved and applied to the qualified construction projects beginning on or after the date the certificates of authorization are issued.

DEFERRED

Issue 6: Should this docket be closed?

Recommendation: No. The certification portion of this recommendation will become final agency action upon the Commission's vote. The docket should remain open pending receipt of executed copies of Grove Land's water and wastewater lease agreements, containing a legal description of the lease sites. If no timely protest to the proposed agency action portion of this recommendation with respect to initial rates and charges is filed with the Commission by a substantially affected person, a Consummating Order should be issued. Following the expiration of the protest period with no timely protest, the issuance of a Consummating Order, and the utility's submission of the lease agreements, the docket should be closed administratively.

DEFERRED