

P R O C E E D I N G S

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2 **CHAIRMAN GRAHAM:** We're going to come back to
3 Item 3. We'll come back to Item 4. Let's move on to
4 Item 5.

5 **MR. BUYS:** Good morning, Commissioners. Dale
6 Buys with Commission staff.

7 Item 5 is staff's recommendation in Docket No.
8 150006-WS regarding annual reestablishment of the
9 authorized range of returns on equity for water and
10 wastewater utilities pursuant to Section 367.081 of the
11 *Florida Statutes*.

12 Staff recommends that the current leverage
13 formula initially approved by the Commission in 2011
14 continue to be used until the leverage formula is
15 readdressed in 2016. The Commission has approved the
16 same leverage formula in each of the past four years,
17 and staff believes that the range of returns on common
18 equity currently in place continues to be more
19 reasonable than the range of returns on common equity
20 derived from this year's leverage formula using the most
21 recent financial data.

22 The financial market conditions have remained
23 essentially the same since 2011 due to the Federal
24 Reserve Board's interest rate policies, which have been
25 in place for the past five years and are forecasted to

1 remain in place in the near future. With that said, I
2 am prepared to answer any questions on this matter the
3 Commissioners may have.

4 **CHAIRMAN GRAHAM:** Commissioners, any questions
5 of staff on Item No. 5?

6 I'll entertain a motion.

7 **COMMISSIONER BRISÉ:** Move staff.

8 **COMMISSIONER BROWN:** Second.

9 **CHAIRMAN GRAHAM:** It's been moved and
10 seconded, staff recommendation on Item No. 5. All in
11 favor, say aye.

12 (Vote taken.)

13 Any opposed? By your action, you've approved
14 the staff recommendation on Item No. 5. Thank you,
15 staff.

16 (Agenda item concluded.)

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1 STATE OF FLORIDA)
2 COUNTY OF LEON) : CERTIFICATE OF REPORTER

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4 I, LINDA BOLES, CRR, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that I
9 stenographically reported the said proceedings; that the
10 same has been transcribed under my direct supervision;
11 and that this transcript constitutes a true
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties, nor
15 am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED THIS 25th day of June, 2015.

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