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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 140219-WU

APPLICATION FOR STAFF-ASSISTED RATE CASE IN POLK  
COUNTY BY ALTURAS UTILITIES, L.L.C.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA  
ITEM NO. 7

COMMISSIONERS  
PARTICIPATING: CHAIRMAN JULIE I. BROWN  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER ART GRAHAM  
COMMISSIONER RONALD A. BRISÉ  
COMMISSIONER JIMMY PATRONIS

DATE: Tuesday, March 1, 2016

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: DEBRA KRICK  
Court Reporter  
(850) 894-0828

PREMIER REPORTING  
114 W. 5TH AVENUE  
TALLAHASSEE, FLORIDA  
(850) 894-0828

## 1 P R O C E E D I N G S

2 CHAIRMAN BROWN: We are going to move on to  
3 two different water dockets. If we could have the  
4 attorneys and staff that are working on Items 7 and  
5 8 both up and available. We would like -- we are  
6 not taking them up together, but we would like to  
7 have them close up if there are any overlap in  
8 questions.

9 I will note that there -- the utility owner,  
10 Mr. Szabo, has called in, and has worked with our  
11 technical staff here. He should be on the line  
12 right now.

13 MR. SZABO: Yes, I am.

14 CHAIRMAN BROWN: Oh, hi. Thank you.

15 Before we get to you, you know you have five  
16 minutes to address the Commission on the Alturas  
17 and the Sunrise case, and then if, Commissioners --  
18 if you could mute your mic after you get those five  
19 minutes, if the Commission -- Commissioners have  
20 any questions, then we will make sure to call on  
21 you.

22 But before we get to you, I would like to have  
23 our staff provide an overview of the SARC for the  
24 Alturas Utilities case first before we get to you.  
25 So with that --

1 MR. SZABO: Thank you.

2 CHAIRMAN BROWN: Okay. Thank you.

3 Staff.

4 MR. LEWIS: Yes, ma'am. Good morning,  
5 Commissioners. I am Clayton Lewis, representing  
6 staff.

7 Docket 140219 is staff's recommendation  
8 concerning Alturas Utilities' request for a rate  
9 case. Alturas is a Class C utility providing water  
10 service to approximately 51 residential customers  
11 and ten general service customers in Polk County.  
12 Alturas' last rate case proceeding before the  
13 Commission was in 2009 in Docket No. 090477.

14 On November 10th, 2014, Alturas filed an  
15 application for a staff-assisted rate case in  
16 accordance with a payment plan negotiated with  
17 staff for the payment of delinquent regulatory  
18 assessment fees owed by the utility. As of  
19 February 18th, 2016, Alturas is current on its  
20 payment plan for the delinquent RAFs. A total of  
21 seven customer complaints were received by the  
22 Commission from 2011 through 2015, with six of them  
23 due to billing issues.

24 On December 15th, 2015, DEP tested the  
25 utility's compliance with all primary and secondary

1 water standards, and the results were deemed  
2 satisfactory. Staff notes the utility is currently  
3 under a DEP warning notice for noncompletion of  
4 recommended repairs of its hydropneumatic tank.

5 Staff is recommending that the overall quality  
6 of service be considered unsatisfactory, and is  
7 also recommending a 25 percent reduction in the  
8 officer salaries.

9 Mr. Leslie Szabo, the owner of the utility,  
10 is participating by phone, and will be addressing  
11 this docket and many of the issues related in Item  
12 8, which is the sister company.

13 CHAIRMAN BROWN: Thank you, Mr. Lewis.

14 And, Mr. Szabo, you will have five minutes to  
15 address. If you could just speak loudly and  
16 clearly, but not too loud, so that we can hear you,  
17 that would be great. And again, it will be  
18 addressing Items 7 and 8, an overview.

19 MR. SZABO: I have -- I am sorry --  
20 (unintelligible) -- Hello?

21 CHAIRMAN BROWN: I did not understand what you  
22 said.

23 MR. SZABO: How do I sound over the phone? Do  
24 I sound too loud, or too weak, or can you hear me?

25 CHAIRMAN BROWN: We got you. You are

1           sounding -- you are sounding good. Please proceed.

2           MR. SZABO: Thank you.

3           It is a common thing you only receive what you  
4 negotiate for yourself and not what you deserve. I  
5 am not going to discuss the original version you  
6 receive in life what you deserve. This part, I  
7 will leave it to God, and my conscious is clear.

8           In my opening statement to the -- I would like  
9 to summarize the total picture, and hopefully you  
10 can you can understand me.

11           I negotiate first for the best interest to our  
12 customers, and I negotiate also in the Public  
13 Service Commission -- (unintelligible) -- not to  
14 make an error of judgment in our rate case, and  
15 then, and only then, I negotiate for my own self  
16 and to protect my business -- the business --  
17 regarding the overall quality of service provided  
18 by Sunrise should be considered unsatisfactory  
19 because the utility has failed to address  
20 maintenance -- (unintelligible) --

21           We are talking about mainly the --  
22 (unintelligible) -- Alturas water tank. It has  
23 been inspected in 2012, and the test results  
24 unsatisfactory, but according to the rules of the  
25 and the health department it should be --

1 (unintelligible) -- within three years, by the end  
2 of 2015.

3 We have already asked funding in our first  
4 docket -- our first docket request, and we were  
5 told -- (unintelligible) -- and declined.  
6 Regardless, this issue would be -- this issue  
7 should be confined only to Alturas, but the PSC  
8 decided -- (unintelligible) -- to comply all across  
9 the board.

10 We have no money. Our -- (unintelligible) --  
11 bare minimal of the daily operation of the --  
12 (unintelligible) -- trying to keep our head above  
13 the water. Repairs, we have plenty. And --  
14 (unintelligible) -- we have, because otherwise it  
15 cost -- (unintelligible) --

16 Next. Furthermore, the utility has --  
17 (unintelligible) -- responsive to commission  
18 inquiries. They have always completed all  
19 questioners without ever asking for any extension,  
20 and -- (unintelligible) -- giving our answer even  
21 sooner.

22 (Unintelligible) -- we have listened to the  
23 PCS -- (unintelligible) -- suggestion that within  
24 one year we made a turnaround point --  
25 (unintelligible) -- and billing, and they are

1 complimented by the people with the PCSC and seen  
2 our offer in actual draft and there to help us with  
3 the -- (unintelligible) --

4 Next, staff recommends decreasing officer  
5 salary by 25 percent. Yes, it would be a --  
6 (unintelligible) -- to management to get together,  
7 it won't have any merit to it. The facts are,  
8 there is not one day or night we see the time that  
9 are spent to do my utmost -- (unintelligible) --

10 This system is getting older --  
11 (unintelligible) -- Alturas in 2004, and we need to  
12 -- (unintelligible) -- massive improvement, and  
13 without it, the PCS failed to look after our  
14 customer interest who have received order.  
15 Alturas, who knows, for those reasons, we have to  
16 -- (unintelligible) -- The -- (unintelligible) --  
17 available -- (unintelligible) -- you are the --  
18 (unintelligible) -- as the PCS is are not giving us  
19 expense to go -- (unintelligible) --

20 I highly suggest that the staff recommendation  
21 it is not the solution. I could have done it  
22 before we started -- (unintelligible) -- I am not  
23 somebody who calls -- (unintelligible) -- they are  
24 not there to buy the business, just the people --  
25 (unintelligible) -- it would also cause more

1 financial burden to our customers and forcing them  
2 for much higher rates than we are targeted for.

3 I certainly hope it is not the PCS intention  
4 -- (unintelligible) -- as all indication shows our  
5 rates -- (unintelligible) -- estimate 30,000 for  
6 Alturas and 35,000 for Sunrise, which is -- it is  
7 the -- (unintelligible) --

8 In our pages -- (unintelligible) --  
9 application, you have overlooked --  
10 (unintelligible) -- to have an iron clad guarantee  
11 to finance compliances and implement it, or --  
12 (unintelligible) -- and that's why we are asking to  
13 do this today. Regardless, we have problem.

14 Today, we have -- (unintelligible) -- for  
15 additional source of -- (unintelligible) -- today,  
16 we have -- (unintelligible) -- for additional  
17 finance -- (unintelligible) -- and we also can  
18 provide a logical explanation why our case is  
19 handled the way it is handled so far.

20 Anyhow, I am asking for some explanation, and  
21 most of all, of course, I am asking for your help.  
22 Anyhow, my clock shows I am close to my five  
23 minutes -- (unintelligible) -- I was saying. And  
24 thank you for hearing me out and let's take it from  
25 there.

1 Thank you.

2 CHAIRMAN BROWN: Thank you, Mr. Szabo.

3 If you could please mute your phone, and you  
4 can watch the conference on-line, as instructed by  
5 our staff.

6 And at this time --

7 MR. SZABO: I am sorry -- (unintelligible) --

8 CHAIRMAN BROWN: Thank you.

9 All right. Office of Public Counsel.

10 MS. ROTH: Good afternoon, Madam Chair,  
11 Commissioners, Danielle Roth for the Office of  
12 Public Counsel.

13 The Office of Public Counsel has had many  
14 concerns throughout this case, Alturas, due to the  
15 numerous violations that have been discovered, and  
16 I would just like to take the time to briefly  
17 address six issues that were discussed in the staff  
18 recommendation for Alturas that were most  
19 concerning to the customers, and so I will just go  
20 by issue number.

21 Issue No. 1 states that the utility failed to  
22 address maintenance and repairs recommended by Polk  
23 County Health Department.

24 MR. SZABO: Can I -- (unintelligible) --

25 CHAIRMAN BROWN: Sir. Sir. Please put your

1 phone on mute or we will have to disconnect you at  
2 this time. Thank you.

3 Go ahead.

4 MS. ROTH: Issue No. 2 of the Alturas  
5 recommendation states that the excessive  
6 unaccounted for water is over 31 percent, and that  
7 their master flow meter was tested and read  
8 20 percent faster than the actual flow. This was  
9 also an issue back in the 2009 rate case. And as  
10 of today, I haven't heard anything that would lead  
11 to believe that the utility has provided  
12 documentation that the master flow matter has been  
13 replaced.

14 Issue No. 7 states that the utility failed to  
15 maintain customer billing records as required by  
16 Commission rule. Also in Issue No. 7, it states  
17 that the utility had inconsistent part-time  
18 contractual service, which may have led to many of  
19 the billing and service issues that have been  
20 experienced in this case.

21 Issue No. 11 states that the utility has not  
22 provided documentation of the refund to customers  
23 for the over-collection of rate case expense that  
24 was approved in the utility's 2009 rate case.

25 And then lastly, Issue No. 12 states that the

1 utility failed to properly record the amount of  
2 each customer deposit; failed to pay the  
3 appropriate amount of interest on customer  
4 deposits; and failed to refund residential customer  
5 deposits as required by Commission rule.

6 I would like to say that OPC would like to  
7 definitely acknowledge the hard work that staff has  
8 put forth in this case, and we do support staff's  
9 recommendation. We would, however, like to  
10 submit -- and I am going to basically do the same  
11 thing for the Sunrise case.

12 We would like to submit a recommendation for  
13 additional monthly reporting to be included in the  
14 final order for Alturas. We believe that the  
15 Commission should require the utility to address  
16 these serious issues, and provide monthly status  
17 reports, so that the Commission can ensure that the  
18 utility -- that the utility has made progress in  
19 these areas.

20 And so the recommendations that we had for  
21 Alturas, it was just to provide a monthly update to  
22 the PSC on these four following issues I will read  
23 out, and I can also do it by issue number.

24 CHAIRMAN BROWN: Yes.

25 MS. ROTH: So I guess I will start with Issue

1 No. 2, on page six of the staff recommendation. It  
2 speaks to that same issue, the replacement of the  
3 Alturas master flow meter.

4 Issue No. 7, page 15 of the recommendation,  
5 the name and position -- we would like to know the  
6 name and position of each contractual service  
7 provider. And the purpose of this is so that we  
8 can verify that the positions allowed in the staff  
9 recommendation continue to be filled, hoping that  
10 that will keep things going more orderly.

11 Issue No. 11, page 32, is to do the refund to  
12 customers for the over-collection of rate case  
13 expense. And I will note that staff has already  
14 asked for a monthly report in the recommendation,  
15 and so we would just second that.

16 And then lastly, Issue No. 12, page 33. We  
17 are looking at the recorded amounts for customer  
18 deposits, interest on customer deposits and  
19 refunded customer deposits. And staff has also  
20 asked for a monthly report in the recommendation of  
21 that.

22 And we would ask that a show cause proceeding  
23 take place if these issues have not been resolved  
24 after six monthly status reports have been  
25 submitted per issue.

1 And that's all I have. Thank you very much.

2 CHAIRMAN BROWN: Okay, six consecutive, or --

3 MS. ROTH: Yes. So -- yes. So it would be  
4 six -- six consecutive monthly reports.

5 CHAIRMAN BROWN: Okay. Is there a time limit  
6 for these monthly reports to expire, or ongoing  
7 until the next rate case?

8 MS. ROTH: I am sorry. So we were asking for  
9 it to be a monthly -- a monthly report for six  
10 months, and after six months, if no -- if that --  
11 if those issues have not been resolved, we would  
12 ask that there be a show cause proceeding.

13 CHAIRMAN BROWN: Okay. Got it. Thank you.

14 MS. ROTH: And I will wait -- I can wait until  
15 the end, or I can do it now, whatever is your  
16 preference, Madam Chair. I do have -- it's just a  
17 one-page handout, nothing fancy. It just -- just  
18 goes over what I just said --

19 CHAIRMAN BROWN: Now is good.

20 MS. ROTH: Great. Thank you.

21 CHAIRMAN BROWN: And you brought your own  
22 copies. Thank you.

23 So I thought originally, at the beginning, you  
24 said six issues, but that's -- actually I have got  
25 Issue 1, 2, 7, 11 and 12, is that correct?

1 MS. ROTH: Yes, Madam Chair. And I think,  
2 originally, when I was just -- there were a couple  
3 of things that we wanted to address that we saw as  
4 issue, but we didn't think needed a monthly report.  
5 So you are correct, there is only going to be four  
6 issues that we actually asked for the monthly  
7 reports to be on.

8 CHAIRMAN BROWN: Thank you. And if you can  
9 hand that to our clerk, too, so she has a copy of  
10 it.

11 Staff, could you respond to some of these?  
12 Some are already -- some of these recommendations  
13 are already included in the staff recommendation,  
14 but with regard to Issue 1, 2 and 7, could you  
15 provide a response to OPC's concerns?

16 MR. LEWIS: In Issue 1, dealing with the  
17 master flow meter, staff did note that there was a  
18 master flow meter in 2009. Review of the invoices  
19 indicated that there were some repairs done at that  
20 time. However, looking at the results of the  
21 testing that was done by the Florida Rural Water  
22 Association, we noted that they had a problem and  
23 that they needed to look into fixing it. But as of  
24 to date, we have not received any further  
25 information about the status of the master flow

1 meter.

2 MS. GOLDEN: Issue 7. On Issue 7, regarding  
3 the failure to maintain billing records; as  
4 discussed in the recommendation, the utility has  
5 taken steps to prevent this from happening in the  
6 future. They have hired a different contractual  
7 service worker to oversee the billing -- billing  
8 and customer service related to billing. They have  
9 a second copy of their billing program, so, that  
10 serves as a backup, and so we are we are hopeful  
11 that this will resolve that issue.

12 And then regarding their request for the  
13 report for the name and position of the contractual  
14 service providers, we don't have any objection to  
15 reporting requirement for that.

16 CHAIRMAN BROWN: Okay, or any of the monthly  
17 reports that they requested, including the  
18 replacement of the master flow meter, is that  
19 correct?

20 MR. LEWIS: Yes, ma'am.

21 CHAIRMAN BROWN: Okay. All right. And then  
22 Issues 11 and 12, I guess those are just in support  
23 of the staff recommendation, so no further comment.

24 Okay. Commissioners, any questions on any of  
25 these items, or comments?

1           My only, not question, but kind of comment is  
2           why there hasn't been a show cause. There seems to  
3           be a lot of deficiencies and failure on the  
4           utility's part to act. And I know there are some  
5           good faith efforts being put forth with these new  
6           contractual employees, but there is a lot of  
7           turnover, seems that the utility owner is not  
8           really directly hands-on involved, and so that's  
9           part of the contribution of problems. Could you  
10          respond to some of those concerns?

11           MS. CORBARI: Yes, Madam Chair. A lot of  
12          these problems came out in the process of the SARC.  
13          And every time staff did identify an issue, the  
14          utility took some corrective action, and the  
15          purpose of a show cause is to bring a utility into  
16          compliance.

17           At this point, while there are some issues, it  
18          appears the utility is attempting to come into  
19          compliance, but that's why staff would like to have  
20          some of these reporting issues, particularly with  
21          the deposits and the over-collected rate expenses,  
22          to ensure those matters are corrected, particularly  
23          going forward in the future.

24           CHAIRMAN BROWN: Thank you.

25           Commissioner Brisé.

1           COMMISSIONER BRISÉ: Thank you, Madam Chair.

2           And I just want an update on the  
3           hydropneumatic pump, and want to know what type of  
4           impact, if any, on the health of the consumers, and  
5           what we are doing to address that.

6           MR. LEWIS: Well, the concern with the  
7           hydropneumatic tank is the foundation. The  
8           public -- excuse me -- the DEP, through Polk County  
9           Health Department, identified that the saddles  
10          which brace the tank on the foundation were in need  
11          of repair.

12          This was first issued in 2011. The situation  
13          has not been remediated. The utility has shown a  
14          pattern of nonresponsiveness to DEP request for.  
15          Four actual warning notices were sent out. I  
16          believe, at the consent order meeting, that they  
17          renegotiated a different timeframe to allow the  
18          utility additional months until the end of this  
19          year. But that particular situation concerning the  
20          foundation, the structure, the saddles of the tank  
21          has not been remediated at this particular time.

22          COMMISSIONER BRISÉ: So do we know if the  
23          customers are in immediate danger as a result of  
24          this not being resolved?

25          MR. LEWIS: No, sir. That's -- that's under

1 the, I guess the decision of DEP. They do the  
2 physical inspection of the plant. They would --  
3 they would, I guess, immediately take action if  
4 they felt so.

5 COMMISSIONER BRISÉ: Okay.

6 CHAIRMAN BROWN: Okay. Commissioner Graham.

7 COMMISSIONER GRAHAM: It's interesting. This  
8 is kind of where I -- I agree with the staff's  
9 recommendation on this entire rate case. I am glad  
10 that we separated the two, because there is  
11 subtleties between the two that I want to address.

12 My fear is we are kind of commingling what we  
13 are supposed to be doing as a regulator and what  
14 DEP and the Health Department is supposed to be  
15 doing, because specifically in this one, not in the  
16 other one, but in this one, I had a problem with  
17 the unsatisfactory when it comes to the quality.

18 If you notice, as you went through this, the  
19 guy makes both the primary and secondary standards.  
20 That hasn't been an issue at all. Customer --  
21 customer satisfaction, he has had five or six  
22 complaints, but if you notice, all of those came  
23 back in 2011, and those issues have been solved.  
24 So it's not really a customer service problem here.  
25 And it says that the warning that they have for the

1 Health Department, he has got until December 2016  
2 on this one. On the other one, he has already been  
3 into a consent order, but on this one, he has got  
4 until 2016.

5 So I don't understand why we would go with an  
6 under -- under -- excuse me -- unsatisfactory  
7 recommendation. I think a satisfactory  
8 recommendation. And I have talked to staff about  
9 what this means financially, and it's a \$700  
10 difference. That's the 25 percent that we are  
11 talking about, which is his salary.

12 But I guess, for more consistency than  
13 anything else, I -- we see water cases after water  
14 cases, where we come in and they can't hit their  
15 primary, secondary standard. This guy is doing it.  
16 If he has got issues with the Health Department, I  
17 think those are issues that he has with the Health  
18 Department. And as Commissioner Brisé just found  
19 out recently that -- just now -- that if there is  
20 an issue where people are in danger, then the  
21 Health Department is going to come in and order a  
22 boil water notice, or shut the thing down.

23 CHAIRMAN BROWN: And staff, if you could  
24 provide a little bit more follow-up to that Issue 1  
25 in your recommendation for unsatisfactory as to

1 Alturas. My understanding was, a lot of it was  
2 because of the utility owner's failure to respond  
3 and perform maintenance that was previously  
4 requested. Could you elaborate, please, on  
5 Commissioner Graham's concerns?

6 MR. LEWIS: Yes, ma'am. One of the things  
7 that we have to take into consideration, along with  
8 the quality of the product and the response to  
9 customer complaints, is the status with other  
10 regulatory agencies.

11 Looking at -- when we were reviewing and  
12 corresponding back and forth with DEP, one thing  
13 was evident is that the utility was nonresponsive.  
14 It's still under a so-called warning of a  
15 violation. So at that point, if you are under a  
16 violation, that's not satisfactory to staff so,  
17 therefore, we deemed -- recommended that it be an  
18 unsatisfactory state.

19 CHAIRMAN BROWN: Commissioners, any additional  
20 questions on this Issue 1, or comments? If you  
21 would like, we could take that one separate and  
22 then vote the rest as a block.

23 All right. So if there are no questions on  
24 Issue 1, I will entertain a motion on that issue at  
25 this time, on Issue 1 only.

1           COMMISSIONER BRISÉ: Well, I will move staff  
2           recommendation as it is on Issue 1, and the reason  
3           being the many issues associated with how the  
4           customers' financial issues were addressed by the  
5           utility. I think that there were a lot of customer  
6           issues associated there, and for that reason, I  
7           find that their dealing with consumers is  
8           unsatisfactory.

9           CHAIRMAN BROWN: Okay. Is there any  
10          discussion?

11          Commissioner Graham?

12          COMMISSIONER GRAHAM: No. I just -- you know  
13          I said what I had to say. I can't support the  
14          motion. I think that -- I think it sends a wrong  
15          message. Actually, I kind of disagree with the  
16          rule itself, you know, they are talking about the  
17          three-prong test. I am not sure that the operation  
18          conditions is something that -- I mean, just as  
19          long as it's providing the clean water that it  
20          needs to provide, and they are handling customers  
21          problems, the operation is, you know -- I don't  
22          care if he is using bobby pins and rubber bands to  
23          keep the thing running just as long as the thing is  
24          running. But, you know, there is going to be times  
25          where we just agree to disagree.

1 CHAIRMAN BROWN: Any other discussion?

2 Commissioner Edgar.

3 COMMISSIONER EDGAR: I would recommend against  
4 bobby pins and rubber bands myself.

5 Commissioner Graham, I think I understand the  
6 concerns that you have raised. I will say that,  
7 over past years, there have been times where other  
8 management issues other than -- or separate from,  
9 or in addition to the standards met by the product  
10 provided have been considered by this commission,  
11 and that penalties have been issued as a result of  
12 some of those management concerns. So I think the  
13 motion is consistent with past practice, and I  
14 support it.

15 CHAIRMAN BROWN: Okay. All those in favor on  
16 Issue 1, on the motion on Issue 1, say aye.

17 (Vote taken.)

18 CHAIRMAN BROWN: Any opposed?

19 COMMISSIONER GRAHAM: Nay.

20 CHAIRMAN BROWN: Motion passes, 3-2.

21 All right. Now we have Issues 2 through 15.  
22 If you would like, we could take them up as a block  
23 or individually.

24 Commissioner Graham.

25 COMMISSIONER GRAHAM: I move staff

1 recommendation on all remaining issues.

2 CHAIRMAN BROWN: On Issues 2 through 15.

3 Is there a second?

4 COMMISSIONER PATRONIS: Second.

5 CHAIRMAN BROWN: Okay. All those in favor --  
6 any discussion?

7 Commissioner Edgar.

8 COMMISSIONER EDGAR: Before we -- recognizing  
9 that that is all of the issues, and that there --  
10 that includes the closed docket and, therefore, may  
11 partially close our discussion on this item, I  
12 would like to ask staff to address again the  
13 issue -- or the request that was raised by OPC for  
14 the monthly filing of reports.

15 CHAIRMAN BROWN: Which I believe you earlier  
16 agreed with.

17 MR. LEWIS: Yes. Staff has no problems with  
18 the OPC's recommendations. We would just note that  
19 the warning notice for the pro forma for the  
20 repairs to the hydropneumatic tank, the utility has  
21 until December 16, so we might be getting reports  
22 that basically going to know until that time.

23 COMMISSIONER EDGAR: So, Commissioner Graham,  
24 did you want to address that request in your motion  
25 or not?

1           COMMISSIONER GRAHAM: Yes. I apologize for  
2           leaving that out.

3           I would like to also include in my motion that  
4           we institute the monthly reports that were  
5           requested by Office of Public Counsel, which is  
6           monthly reports for Issues 2, 7, 11 and 13, I  
7           believe, or was it 12?

8           CHAIRMAN BROWN: 12.

9           COMMISSIONER GRAHAM: 12. So 2, 7, 11 and 12.

10          CHAIRMAN BROWN: And the clerk has a copy of  
11          the recommendations.

12          Is there a second?

13          MS. CORBARI: Madam Chair, may staff make one  
14          more comment?

15          CHAIRMAN BROWN: Absolutely.

16          MR. COX: We -- staff would also like to note  
17          that, just to clarify, that does it include OPC's  
18          comment about a show cause within a factor of  
19          six -- six months?

20          COMMISSIONER GRAHAM: My motion -- my motion  
21          does not. I think, after six months, if we want --  
22          if we need to make the determination, I think we  
23          can do that.

24          CHAIRMAN BROWN: Okay.

25          MS. CORBARI: Thank you.

1           CHAIRMAN BROWN: I will note, though, on that  
2           recommendation, that handout, OPC has that at the  
3           very bottom, it's the last paragraph, it's not a  
4           bullet point, on the actual handout that they  
5           submitted to us. Just so that we are clear.

6           COMMISSIONER GRAHAM: Yeah. Once again, we  
7           can make the determination, but my motion does not  
8           include a show cause.

9           CHAIRMAN BROWN: Okay. All right. So we had  
10          a motion, now it's been changed, and there was a  
11          second. With that change, does the second accept  
12          that?

13          COMMISSIONER PATRONIS: Yes.

14          CHAIRMAN BROWN: Okay. Any further  
15          discussion?

16          COMMISSIONER PATRONIS: Yes.

17          CHAIRMAN BROWN: Commissioner Patronis.

18          COMMISSIONER PATRONIS: No. I said, yes.

19          CHAIRMAN BROWN: Okay. And staff is clear on  
20          the motion, and the second.

21          Any further discussion? Nope.

22          All those in favor, say aye.

23          (Vote taken.)

24          CHAIRMAN BROWN: Okay. The motion passes.

25          (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA     )  
COUNTY OF LEON     )

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

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

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

DATED this 9th day of March, 2016.




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DEBRA R. KRICK  
NOTARY PUBLIC  
COMMISSION #EE212307  
EXPIRES JULY 13, 2016

## OPC's Monthly Reporting Recommendations

Docket No. 140219-WU Alturas Utilities, LLC

OPC requests that the above utility provide six monthly status reports to the PSC on the following issues:

- Recorded amounts for customer deposits, interest on customer deposits, and refunded customer deposits (Staff has already asked for a monthly report) *Issue # 12, p. 33*
- The name and position of each contractual service provider. The purpose of this is to verify that the positions allowed in the staff recommendation continue to be filled *Issue # 7, p. 15*
- The replacement of the Alturas master flow meter *Issue # 2, p. 6*
- Alturas' refund to customers for the over-collection of rate case expense from the 2009 rate case (Staff has already asked for a monthly report) *Issue # 11, p. 32*

OPC requests that a show cause proceeding take place if these issues have not been resolved after six monthly status reports have been submitted per issue.

Parties/Staff Handout  
Internal Affairs/Agenda  
on 3/1/16  
Item No. 7