

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for a Limited) DOCKET NO. 910963-WU
Proceeding to Adjust Water Rates) ORDER NO. PSC-93-1719-FOF-WU
in Pasco County by BETMAR) ISSUED: November 30, 1993
UTILITIES, INC.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK
JULIA L. JOHNSON

APPEARANCES:

Scott L. Knox, Esquire, P.O. Box 443, Palm Harbor, Florida 34682.
On behalf of Betmar Utilities, Inc.

Thomas O. McAlvanah, Esquire, 37818 Highway 54 West, Zephyrhills, Florida 33541.
On behalf of Betmar Acres Club, Inc.

Stephen C. Reilly, Esquire, Office of Public Counsel, Claude Pepper Building, Room 812, 111 West Madison Street, Tallahassee, Florida 32399-1400.
On behalf of the Citizens of the State of Florida

Lila A. Jaber, Esquire, and Evonne L. Sager, Esquire, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, Florida 32399-0863.
On behalf of the Commission Staff

FINAL ORDER GRANTING UTILITY'S REQUEST FOR OFFICIAL NOTICE AND DENYING UTILITY'S REQUEST TO RECOVER COST OF TESTING FOR BACKFLOW DEVICES

BY THE COMMISSION:

BACKGROUND

On September 17, 1991, Betmar Utilities, Inc., (Betmar or utility) filed a limited proceeding pursuant to Section 367.0822, Florida Statutes, to increase its rates to recover the cost of

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FILED RECORDS SECTION

maintaining and testing the backflow prevention devices previously installed by the utility.

By Order No. PSC-92-0408-FOF-WU, issued June 9, 1992, the Commission proposed to allow Betmar to recover \$23,486 on an annual basis for the cost of refurbishing 50 percent of the dual check valve devices. On June 30, 1992, Betmar timely filed a protest to that Order. Betmar subsequently filed an offer of settlement on November 16, 1992, which was memorialized in Order No. PSC-92-1467-AS-WU, issued December 17, 1992. Betmar Acres Club, Inc. (BAC) timely filed a protest to Order No. PSC-92-1467-AS-WU. By Order No. PSC-93-0648-PCO-WU, issued April 27, 1993, the Commission acknowledged the Office of Public Counsel's (OPC) intervention.

A prehearing conference was held on July 9, 1993, in Tallahassee, Florida. An administrative hearing was held on August 4, 1993, in Zephyrhills, Florida. On September 3, 1993, Betmar, BAC, and OPC timely filed their briefs.

MOTION TO INCLUDE ADDITIONAL ISSUE IN PREHEARING ORDER

On July 22, 1993, OPC filed a Motion to Include an Additional Issue in the Prehearing Order. OPC proposed to add the following issue:

In 1991, was Betmar Utilities authorized to require its customers to pay for the annual inspection and maintenance of backflow prevention devices? If not, what should be the regulatory treatment of its notification program during the months of April and June, 1991?

In support of its motion, OPC basically states that Betmar's customers represented to OPC that they received notices from Betmar which stated that: 1) Department of Environmental Regulation (DER) regulations, now the Department of Environmental Protection (DEP), required every residential connection to be fitted with a backflow prevention device; 2) that the customers had the responsibility to purchase, install, and inspect the devices annually; 3) that the customers could use Environmental Specialists Group for a single flat rate of \$25.00; and 4) that the notice included an authorization for the "required" work.

On August 2, 1993, Betmar filed an Objection to OPC'S Motion. In the objection, Betmar asserts that: 1) Betmar included a copy of the notice which OPC refers to in its response to Commission

staff's interrogatories; 2) OPC had ample time to raise the issue at or before the Prehearing Conference; 3) the inclusion of the issue at the hearing would require additional prefiled testimony and additional discovery; 4) the Commission lacks jurisdiction over Environmental Specialists Group; and 5) OPC made no allegation or offer of proof that Betmar had received any funds from customers for the inspection and testing.

At the hearing, OPC's Motion to Include an Additional Issue was denied. This matter, first raised by OPC, will be handled in a separate investigation docket for the purpose of determining whether the Betmar customers were charged improperly for maintenance of the backflow prevention devices.

REQUEST FOR OFFICIAL NOTICE

On September 3, 1993, Betmar filed a Request for Official Notice, whereby it requested that the Commission take official recognition of a DEP Final Order on Petition for Declaratory Statement. On September 14, 1993, OPC timely filed a Response to Betmar's Request for Official Notice. It is OPC's assertion that the Declaratory Statement should not become part of the record of this proceeding or be the basis of any decision the Commission might render. In support of its response, OPC states that: 1) The Florida Evidence Code provides that Courts must take judicial notice of certain decisions, laws, and rules of the Legislative and Judicial Branches of the State and Federal Government, and may judicially notice other official matters...; 2) OPC did not receive their copy of the Declaratory Statement until after OPC filed their briefs, although the Declaratory Statement was filed with Betmar's brief; 3) when received, the Declaratory Statement was missing a page; and 4) OPC has not had the opportunity to engage in cross-examination on this declaratory statement.

On September 17, 1993, BAC filed a response to Betmar's Request for Official Notice. BAC did not timely file its response. However, in BAC's response, BAC asserts that it did not receive a copy of Betmar's brief or its request for official notice; therefore, BAC could not respond in a timely fashion. In light of these circumstances, the Commission has included BAC's response. The basic statement that BAC makes, in its response, is that it does not believe that the Declaratory Statement should become part of the record of this proceeding or be a basis of any decision the Commission might render in this docket.

The subject of Betmar's request for official notice, DEP's Final Order on Petition for Declaratory Statement, addresses 6 issues raised by Betmar. DEP made the following conclusions of law with regard to those issues in its Final Order:

1. Rule 17-555.360(2), Florida Administrative Code, does apply to Betmar as a community water system, even though there are no reclaimed water systems operating within Betmar's service territory.
2. Implementation of a cross-connection control program is mandatory.
3. Betmar's installation of residential dual check valves is not an acceptable component of a routine cross-connection control program designed to detect and prevent cross-connections that create or may create an imminent and substantial danger to public health.
4. The cross-connections in Betmar's service territory do constitute prohibited cross-connections as defined in Rule 17-555.360(3), Florida Administrative Code.
5. DEP has convened meetings and workshops to address the entire issue of cross-connection control. Whether DEP would begin enforcement of Rule 17-555.360, Florida Administrative Code, is a decision to be evaluated later.
6. Maintenance of the devices is required, and annual testing is consistent.

Section 120.61, Florida Statutes, provides that when official recognition is requested, the parties shall be notified and given an opportunity to examine and contest the material. Betmar filed its request and DEP's Final Order on September 3, 1993, thereby giving the parties the opportunity to review the Final Order. In fact, OPC timely filed a response to the request and offered a review of each point raised in DEP's final order.

Section 90.202, Florida Statutes (Florida Evidence Code), sets forth the matters which may be judicially noticed. Specifically, Section 90.202(5) provides that official actions of the legislative, executive, and judicial departments of the United States and of any state, territory, or jurisdiction of the United States may be judicially noticed.

In consideration of the foregoing, we find it is appropriate to grant Betmar's request for official notice for two primary reasons. First, DEP's Final Order constitutes official action of an executive department of the State of Florida. Second, the information found in the Final Order is relevant to this proceeding. Although we have an adequate record on which to make the appropriate determination in this proceeding, DEP's official position on whether Rule 17-555.360(2), Florida Administrative Code, applies to Betmar, is relevant to this proceeding as well as the other issues addressed in the Final Order. Therefore, Betmar's Request for Official Notice is hereby granted.

COST OF ANNUAL TESTING AND REFURBISHMENT

It is Betmar's position that the utility should be allowed to recover the costs of annually testing, refurbishing, and maintaining the dual check valve devices, which it has installed in its service territory. Betmar asserts that maintenance of the devices is required and that annual testing is consistent with DEP's adopted reference document M14, given the corrosion problems in Betmar's service area. Betmar contends that annual maintenance is needed to prevent cross-connections from hazards such as lawn sprinklers, hose bibs, and flush valve toilets which are identified on page 46 of the 1974 edition of the Cross Connections and Back Flow Prevention Manual. The 1974 manual is a DEP adopted reference document as well. Additionally, Betmar asserts that the manufacturer of the devices recommends annual testing for maximum protection; therefore, Betmar believes annual testing is a prudent method of preventing cross-connections.

It is BAC's position that it is improper to have Betmar's customers pay for any dual check valve devices that are not required, needed or justified. Further, the dual check valve devices have little or no value because no special hazard or reuse situations exist in the service territory to warrant the use of such devices. BAC maintains that Betmar and the manufacturer will benefit from the installation of these devices, not the consumer-customer. BAC proposed either removing the devices or leaving them in place without maintenance. If the latter option is chosen, BAC believes that as the devices fail, absent any special hazards, the customers will have the same level of protection that other Florida residents have.

Citing the DEP rules, OPC states that the use of the dual check valve devices has not been approved, and the request for a

91% increase in the base facility charge for standard residential connections has been deemed unnecessary. OPC proposed that the devices be left in place without further maintenance. According to OPC, the dual check valve devices should be removed only when they hinder service to the customer. If special conditions warrant the installation of an approved device, the installation and maintenance costs of such devices should be borne by the affected customer.

At the hearing, utility witness O'Lone testified that neither the DEP rules nor the adopted reference manuals mandate that all residential connections be fitted with backflow prevention devices. Mr. O'Lone testified that DEP has, in its rules, recognized that dual check valve devices have been allowed only in areas of reuse. Mr. O'Lone further testified that, currently, DEP does not permit someone to install a dual check valve device in an area that does not have reuse. Utility witness Turco acknowledged that dual check valve devices were suitable only for reuse areas. However, Mr. Turco concluded that since a reuse area has a higher degree of hazard than a non-reuse area, the devices would be acceptable where no hazard exists. The ASSE 1024 Standards also state that the dual check valve would be considered suitable for use only in those areas that do not pose a health hazard.

We believe the utility's arguments are flawed in two areas. First, Mr. Turco's testimony is contradictory because he initially argued that the devices would be acceptable when no health hazard exists; that is, they should be allowed in Betmar's territory. Yet, on the other hand, he attempts to paint a picture of severe risk, and requests that annual testing be allowed to protect against potentially lethal contaminants. Second, the utility argues that it has tried to contain contaminants that create a health hazard. However, the record shows that the dual check valve device is unsuitable for that purpose. Betmar's exhibit, Backflow Prevention Theory and Practice, clearly states that "because the dual check valve cannot be tested in line, it is not deemed adequate protection against backflow in potable water systems." Citing a high failure rate, Backflow Prevention Theory and Practice also states that "the major problem with this dual check valve device is the false sense of security that it creates. The average life of a dual check valve device is relatively short." Utility witness Causseaux confirmed the high failure rate.

Witness Causseaux testified that after the first year of service, he found the failure rate to be 80% to 90%. Witness

O'Lone affirmed that the dual check valve device is not appropriate for use in severe hazard situations. OPC witness Michael Murphy stated that if a severe hazard exists a more reliable device should be installed.

Based on the evidence in the record, we believe the utility's containment program only gives the illusion of protection, especially against those cross connections that pose an actual health risk to the customers. Mr. Turco did not dispute that the dual check valve devices did not provide adequate protection against health risks. Mr. Turco admitted that testing the device "three times a year doesn't make it safer." Mr. Turco also admitted that he installed these inferior devices because they were cheaper than the appropriate devices, and he believed that "Staff (sic) would never have approved" the more expensive devices.

The DEP rules do not require that a backflow prevention device be used for detection purposes on every customer connection. Rules 17-555.360(2) and (3), Florida Administrative Code, state that "community water systems shall establish a routine cross-connection control program to detect and prevent cross-connections that create or may create an imminent and substantial danger to public health...." The Rule further states that "upon discovery of a prohibited cross-connection, public water systems shall either eliminate the cross-connection by installation of an appropriate backflow prevention device...or shall discontinue service until the contaminant source is eliminated."

Staff witness Davis testified that other utilities have complied with DEP's requirements by including in their programs an outline that makes a case by case determination of need. Mr. Davis further testified that any installation of approved devices should only be upon discovery of prohibited cross connections that have the potential to create an imminent and substantial danger to public health. OPC witness Murphy testified that DEP's cross-connection control program promotes education and identification of cross-connection hazards. If a problem is identified, it should be eliminated, or if a hazard is severe a more reliable device should be installed.

Based upon the testimony and evidence in the record, it appears that Betmar's program fails in the areas of identification and protection. Mr. Turco testified that he has provided more than the required protection since he has installed the dual check valve devices on every customer connection. However, the evidence is

clear that the dual check valve devices are not acceptable devices. Furthermore, these devices provide inadequate protection against any health hazards. Thus, Betmar's program not only fails to comply with DEP rules, but it also creates the potential for danger because it lulls Betmar and its customers into a feeling of false security.

Utility witness Turco raised the issue of potential legal liability as another justification for Betmar's program. Mr. Turco testified that if annual testing was not allowed, Betmar would have to obtain approximately \$50 million dollars worth of insurance, provided that he could obtain insurance. Mr. Turco testified that a water utility could be found negligent and liable if that utility had failed to prevent the type of harm that he tried to prevent with his installation of the dual check valve devices. Mr. Turco further testified that it would be cheaper as well as more prudent to test the dual check valve devices than purchase liability insurance. With the installation of the devices along with annual testing, Mr. Turco testified that Betmar would not be found negligent. Mr. Turco testified that his estimation of a \$50 million insurance policy was a "ballpark figure." In fact, Mr. Turco testified that the insurance carrier cancelled insurance to all water purveyors due to the potential liability of that industry. Mr. Turco further testified that the insurance cancellation had nothing to do with hazards associated with backflow.

As previously stated, Mr. Turco did not discover cross-connections on every customer connection. Mr. Turco installed devices on every customer connection because he believed that each connection posed a potential cross-connection. Although we do not dispute that each connection has the potential to become a cross-connection hazard, we question the wisdom of requiring a device based on potential hazard rather than the actual discovery of such hazard. Logically, this would mean that a device should be installed on every single connection in the state. This does not appear to be economically prudent.

We find that Betmar has not proven that the dual check valve devices or any backflow prevention devices should be installed on all connections. Based on the evidence in the record, it appears that the DEP rules do not require it, the risks do not warrant it, and the costs exceed any expected benefits. Furthermore, the record shows that the dual check valve devices are simply not the appropriate devices to use since they provide inadequate protection

against health threatening contaminants. These facts negate any arguments as to the testing frequency or refurbishment of such devices.

In consideration of the foregoing, Betmar's request to recover the costs related to the testing and refurbishing of its backflow prevention devices is denied. Instead, Betmar should focus on a backflow prevention program that includes customer education and elimination of identified cross-connections that create or may create a health hazard. Once a severe hazard has been identified, it should be eliminated by the customer. If elimination is not feasible, then the cross-connection should be contained by installing a more reliable cross-connection prevention device by the customer. Elimination or containment should include either plumbing modifications or installation of devices more cost-effective than the dual check valve. A program with these elements provides a reasonable and less costly approach and appears to be consistent with DEP rules and its adopted guidelines on cross connection.

CERTIFIED TECHNICIAN

It is Betmar's position that, ultimately, the responsibility for water quality rests with the utility. Both BAC and OPC believe that the customers should be allowed to test and maintain the devices, if the Commission finds that these devices are necessary.

Mr. O'Lone testified that Betmar's backflow program must be consistent with the AWWA M14 Manual. The AWWA M14 Manual, along with the AWWA Cross Connections and Backflow Prevention Manual, 2nd Edition, are approved reference documents cited in the DEP cross-connection rules. Betmar's and its customers' responsibilities have been clearly identified in the AWWA M14 Manual and the AWWA Cross Connections and Backflow Prevention Manual, at p.2 and pgs. 44-45, respectively. Those documents indicate that the water user has the responsibility for installing, testing, and maintaining approved backflow prevention devices. As an alternative, the customer may choose to prevent the creation of a cross connection by modifications of the plumbing system. We believe that if the customer creates a cross-connection that presents an imminent and substantial danger to the public health, then that customer should bear the responsibility for its elimination. Upon consideration, we find that the customer's responsibility has been sufficiently described in the evidence presented. Therefore, when and if the DEP rules require the installation of a backflow prevention device

and its subsequent inspection, the customer shall retain a certified technician to perform inspection and maintenance of the devices.

DEVICES ON ALL CONNECTIONS

The evidence in the record is clear that DEP Rule 17-555.360, Florida Administrative Code, does not require all residential connections to be fitted with backflow prevention devices. Mr. O'Lone testified that no language exists, either in the Rule nor in the two recognized manuals, that mandates that all residential connections be fitted with the dual check valve devices at the meter. Utility witness Turco admitted, under cross-examination, that the DEP cross connection control rules do not require devices on all residential connections. Therefore, we find that the DEP rules concerning cross connection do not require backflow prevention devices on all residential connections.

UNACCEPTABLE DEVICE

With respect to its backflow prevention program, it is Betmar's position that the dual check valve is an appropriate device for backflow prevention and detection. Mr. O'Lone testified that the DEP cross connection control Rule would allow the dual check valve to be used only in an area with reuse. Rule 17-555(5)(c), Florida Administrative Code, specifically states that "dual check valves shall be considered acceptable for reducing risks from back-flow only at residential properties served by reclaimed water...." Mr. O'Lone further testified that the DEP rules do not allow the dual check valve under severe hazard conditions.

As previously discussed, the dual check valve device has been found improper for many reasons. For example, the dual check valve device cannot be used to protect against severe health hazards. Further, the device has a high failure rate, and it cannot be tested in-line. Consequently, the dual check valve device does not provide adequate protection against cross-connections that pose a severe health hazard. In consideration of the foregoing, we find that the record clearly shows that the dual check valve devices installed by Betmar are not acceptable.

REVENUE IMPACT

In its filing, Betmar requested \$47,792.67 to recover the cost associated with testing and maintaining the backflow prevention devices. Earlier, we found that Betmar failed to establish that the dual check valve devices or any backflow prevention devices are appropriate, necessary or required on all residential connections. Therefore, the utility's request to recover \$47,792.67 in costs is denied. However, we find it appropriate to allow Betmar \$750 for the expense of the customer educational brochures needed to implement its education program. We further find that a backflow prevention program that includes customer education as well as elimination of identified cross-connections shall be in compliance with DEP's rules. Once the amount for customer education has been grossed-up for regulatory assessment fees, the appropriate resulting annual revenue increase is \$785.

RATE CASE EXPENSE

Betmar requested total rate case expense of \$24,212, which consists of \$5,420 in accounting fees, \$14,809 in legal fees, \$1,233 in miscellaneous charges, and \$2,750 in estimated costs to complete. We have analyzed all of the supporting documents submitted by Betmar for its requested rate case expense. We have disallowed those expenses which are not supported by invoices or cannot be verified. The specific adjustments are discussed below.

Accounting Fees

Of the total requested accounting fees of \$5,420, only \$3,392 is actually supported by invoices and appears reasonable. Accordingly, we have reduced accounting fees by \$2,028.

Legal Fees

Betmar requested \$14,809 for total legal rate case expense. Upon review of the invoices and documents, we find that it is necessary to make a reduction of \$2,014.62 to rate case expense for legal fees which appear to be duplicative, excessive, unidentifiable, or unsupported by invoices. The \$2,014.62 is comprised of \$180 for items which appear unrelated to this docket, \$890 for duplicative tasks that were initially performed for the preparation of the first hearing, \$620 for charges that were not identifiable, and \$324.62 for fees not supported by documentation.

Summary

Based upon our adjustments discussed above, the appropriate total rate case expense for this limited proceeding is \$20,168.99. Betmar shall submit a detailed statement of any actual rate case expense incurred within 60 days after the final order is issued or, if applicable, within 60 days after the issuance of an order entered in response to a motion for reconsideration of such final order. The information shall be submitted in the form prescribed for Schedule B-7 of the minimum filing requirements (MFRs).

STATUTORY FOUR-YEAR REDUCTION

Section 367.0816, Florida Statutes, requires that rate case expense be apportioned for recovery over a four year period. The total rate case expense of \$20,169 has been grossed-up for regulatory assessment fees which brings the total rate case expense to \$21,119. The total grossed-up rate case expense amortized over four years results in an annual expense of \$5,280.

Betmar shall file revised tariffs no later than one month prior to the actual date of the required rate reduction. Additionally, Betmar shall file a proposed "customer letter" setting forth the lower rates and the reason for the reduction.

Should Betmar file this reduction in conjunction with a price index or pass-through rate adjustment, Betmar shall file separate data for the price index and/or pass-through increase or decrease and any reduction in the rates due to the amortized rate case expense.

RATE STRUCTURE

Betmar requested that the costs associated with annually testing and refurbishing the dual check valves be included in its water base facility charge because the costs for the backflow prevention testing program do not relate to water consumption, nor does the cost of the testing vary with the meter size. Upon consideration, we find it appropriate that only the base facility charge rate be increased for the allowed expense of the customer education program and Betmar's rate case expense. Again, neither the cost of the education program nor Betmar's rate case expense relates to water consumption; so, the inclusion of these costs in the base facility charge ensures that every customer pays for only his or her fair share of the expense since the base facility charge

consists of a fixed rate that all customers pay. The increase in annual revenue after regulatory assessment fee gross-up will be \$6,065, consisting of \$5,280 in rate case expense, \$785 for customer education.

REFUND REQUIRED

Betmar was granted emergency temporary rates in Order No. PSC-0525A-FOF-WU, issued June 8, 1993, which increased its base facility charge for each meter size by \$2.09. On August 5, 1993, Betmar's 1993 Price Index increase became effective.

In establishing the proper refund amount, we have calculated the final revenue increase to be \$.33 per month per customer. The utility shall refund the difference in the emergency rate increase and the final rate increase, which is \$1.76 per customer per month. Because the 1993 Price Index increase has been applied to the emergency temporary rates, of which \$1.76 will be refunded, we have recalculated the 1993 Price Index increase. We recalculated the 1993 Price Index annualized revenue based on the rates without the refund amount. This results in a Price Index increase of 2.28 percent, and this percentage has been applied to the emergency rates adjusted for the refund amount to arrive at our final approved rates.

The refund shall be reflected as a credit on the customers' bills as a credit, and unclaimed refunds shall be credited to contributions-in-aid-of-construction (CIAC). Pursuant to Rule 25-30.360(2), Florida Administrative Code, the refund shall be made within ninety days of the issuance of this order. Further, Betmar shall provide, within 45 days of the effective date of this order, the necessary billing information for our Staff's verification of the emergency rate implemented, the amounts collected, and the names of the customers who paid the emergency rates. Pursuant to Rule 25-30.360, Florida Administrative Code, the refund shall be made with interest. The escrow amounts shall be released to Betmar upon verification of the refund by our Staff.

EFFECTIVE DATES AND CLOSING DOCKET

The rates shall be effective for meter readings 30 days on or after the stamped approval date of the revised tariff sheets. The revised tariff sheets shall be approved upon our Staff's verification that Betmar has filed tariffs consistent with our decision herein, and the appropriate customer notice.

ORDER NO. PSC-93-1719-FOF-WU
DOCKET NO. 910963-WU
PAGE 14

This docket shall be closed after the final order has been issued, the interim refund has been completed by Betmar and verified by our Staff, and the proper revised tariff sheets and customer notice have been filed by Betmar and approved by our Staff.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Betmar Utilities, Inc.'s request to recover the cost of annually testing and refurbishing the dual check valve devices that it has installed on its customers' meters is denied. It is further

ORDERED that Betmar Utilities, Inc., is hereby granted an increase for its educational brochures and rate case expense to the extent set forth in the body of this Order. It is further

ORDERED that each of the findings made in the body of this Order is hereby approved in every respect. It is further

ORDERED that all matters contained in the schedules attached hereto are by reference incorporated herein. It is further

ORDERED that Betmar Utilities, Inc., is authorized to charge the approved rates as set forth in the body of this Order. It is further

ORDERED that the rates shall be effective for meter readings 30 days on or after the stamped approval date of the revised tariff sheets. It is further

ORDERED that prior to its implementation of the approved rates herein, Betmar Utilities, Inc., shall submit and have approved a proposed notice to its customers of the increased rates and the reasons therefor. The notice will be approved upon Staff's verification that it is consistent with our decision herein. It is further

ORDERED that prior to its implementation of the approved rates herein, Betmar Utilities, Inc., shall submit and have approved revised tariff pages. The revised tariff pages will be approved upon Staff's verification that the pages are consistent with our decision herein, and that the proposed customer notice is adequate. It is further

ORDER NO. PSC-93-1719-FOF-WU
DOCKET NO. 910963-WU
PAGE 15

ORDERED that the rates shall be reduced at the end of the four-year rate case expense amortization period, consistent with our decision herein. The utility shall file revised tariff sheets no later than one month prior to the actual date of the reduction and shall also file a customer notice. It is further

ORDERED that, as a part of its cross connection education program, Betmar Utilities, Inc., shall provide educational brochures, as provided for herein, to educate its customers on the hazards of cross-connections, and the methods of eliminating cross-connection. It is further

ORDERED that Betmar Utilities, Inc., shall refund \$1.76 per month per customer of the emergency temporary rate increase previously granted and placed into escrow. It is further

ORDERED that Betmar Utilities, Inc., shall refund the amount set forth in the body of this Order, with interest. It is further

ORDERED that this docket shall be closed after the final order has been issued, the interim refund has been completed by Betmar and verified by our Staff, and the proper revised tariff sheets and customer notice have been filed by Betmar and approved by our Staff.

By ORDER of the Florida Public Service Commission this 30th day of November, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

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ORDER NO. PSC-93-1719-FOF-WU
DOCKET NO. 910963-WU
PAGE 16

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

SCHEDULE OF PRESENT AND APPROVED RATES
 WATER
 GENERAL AND RESIDENTIAL SERVICE

METER SIZE	PRE-LIMITED PROCEEDING RATES	COMMISSION APPROVED EMERGENCY RATES	1993 PRICE INDEX RATES*	UTILITY REQUESTED RATES	COMMISSION APPROVED RATES
5/8" x 3/4"	\$4.32	\$6.41	\$6.53	\$6.89	\$4.76
3/4"	6.49	8.58	8.74	9.06	6.98
1"	10.81	12.90	13.14	13.38	11.39
1-1/2"	21.63	23.72	24.17	24.20	22.46
2"	34.61	36.70	37.39	37.18	35.74
3"	69.21	71.30	72.65	71.78	71.13
4"	108.14	110.23	112.31	110.71	110.94
GALLONAGE CHARGE	\$1.87	\$1.87	\$1.91	\$1.91	\$1.91

*NOTE: The 1993 Price Index rates were effective August 5, 1993.

ORDER NO. PSC-93-1719-FOF-WU
DOCKET NO. 910963-WU
PAGE 18

Schedule No. 2

CALCULATION OF NEW WATER RATES
AFTER FOUR YEAR AMORTIZATION EXPIRED

GENERAL AND RESIDENTIAL SERVICE:

METER SIZE	COMMISSION APPROVED RATES	COMMISSION APPROVED DECREASE
5/8" X 3/4"	\$4.76	\$0.28
3/4"	6.98	0.28
1"	11.39	0.28
1-1/2"	22.46	0.28
2"	35.74	0.28
3"	71.13	0.28
4"	110.94	0.28