

STATE OF FLORIDA

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ORIGINAL
DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(850) 413-6199

Public Service Commission

August 4, 1998

Mr. Al Cassidy
Orchid Springs Development Corporation Water and Sewer
700 Overlook Drive 325 Big Daddy Drive
Winter Haven, Florida 33884

Re: Docket No. 980441-WS, Application for a Staff Assisted Rate Case for Orchid Springs Development Corporation Water and Sewer in Polk County

Dear Mr. Cassidy:

This will confirm that Commission Staff will hold a customer meeting at 6:30p.m. on Wednesday, September 2, 1998. The location of the meeting will be the Chain of Lakes Southwest Complex - Gymnasium, 210 Cypress Gardens Boulevard, Winter Haven, Florida 33880. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting in order to answer customer questions.

The original customer meeting notice is enclosed. Please note the date has been left blank so that you can fill in the date that the notice is sent to the customers. The customers must have at least 14 days' notice of the meeting, calculated from the day that they receive the notice. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Two copies of the accounting report dated August 4, 1998 will be submitted under separate cover. Please ensure that a copy of the complete Application for Staff Assistance and the reports are available for review by all interested persons at the utility's office, Orchid Springs Development Corporation Water and Sewer, 700 Overlook Drive, Winter Haven, Florida 33884, during its regular business hours (8:00am to 5:00pm, Monday - Friday).

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

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PSC Website: www2.scri.net/psc

Internet E-mail: contact@psc.state.fl.us

DOCUMENT NUMBER - DATE

08302 AUG-5 98

PPSC-RECORDS/REPORTING

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If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read "Cleveland Ferguson III". The signature is written in a cursive, somewhat stylized font.

Cleveland Ferguson
Staff Attorney

CF/dr
Enclosure

cc: Division of Records and Reporting
Division of Consumer Affairs (DeMello, Raspberry)
Hearing Reporter (Joy Kelly)
Office of Public Counsel
Division of Water and Wastewater (Dewberry, Fuchs, Rendell, Willis)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETINGS

TO THE CUSTOMERS OF ORCHID SPRINGS DEVELOPMENT CORPORATION
WATER AND SEWER

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 980441-WS

APPLICATION OF ORCHID SPRINGS DEVELOPMENT CORPORATION
WATER AND SEWER
FOR A STAFF-ASSISTED RATE CASE IN
POLK COUNTY

DATED:

Notice is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Orchid Springs Development Corporation Water and Sewer (Orchid Springs or utility) for a staff-assisted rate case in Polk County. The meeting will be held at the following time and place:

6:30 p.m., Wednesday, September 2, 1998
Chain of Lakes Southwest Complex - Gymnasium
210 Cypress Gardens Boulevard
Winter Haven, Florida 33880

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. The meeting will begin as scheduled and will continue until all the customers have been heard.

The Public Service Commission Staff is also attempting to meet with representatives of customer groups and homeowners associations on September 2, 1998 between 2:00pm and 4:00pm at the Chain of Lakes Southwest Complex - Gymnasium. If you are a representative of a customer group or homeowners association and you have not been contacted by the Public Service Commission Staff, and wish to meet with staff, please contact Troy Rendell or Paulette Dewberry of the Public Service Commission staff at (850) 413-6934 or (850)413-6962, respectively, prior to September 2, 1998.

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All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meeting session may be canceled if no appointments are made.

Any person requiring some accommodation at the customer meeting(s) because of a physical impairment should call the Division of Records and Reporting at (850)413-6770 at least 48 hours days prior to the meeting(s). Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission Staff regarding the quality of service the utility provides, the proposed rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize Orchid Springs' proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. The Public Service Commission Staff will have sign-up sheets, and customers will be called to speak in the order that they sign-up. Public Service Commission Staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809.

BACKGROUND

Orchid Springs is a Class C water and wastewater utility located in Polk County. It provides water service to approximately 284 residential and 34 general service customers, and provides wastewater service to approximately 284 residential and 28 general service customers. The utility's revenues for the test period are \$50,826 for water and \$95,852 for wastewater. Its adjusted

operating expenses are \$65,088 for water and \$89,623 for wastewater, resulting in an adjusted net operating loss of (\$14,262) for water and an adjusted net operating income of \$6,229 for wastewater for the test period. The test period for setting rates is the historical twelve month period ending March 31, 1998.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further staff review, and the final decision by the Commissioners. The utility's current and staff's preliminary rates and charges are as follows:

MONTHLY WATER RATES

Residential, Multi-Residential and General Service

<u>Base Facility Charge</u>		Staff's Preliminary
<u>Meter Sizes:</u>	<u>Current Rates</u>	<u>Rates</u>
5/8" x 3/4"	\$ 6.01	\$ 7.14
3/4"	9.02	10.72
1"	15.03	17.86
1 1/2"	30.05	35.72
2"	48.08	57.15
3"	96.16	114.30
4"	150.25	178.60
6"	N/A	357.20

<u>Gallonge Charge</u>		
Per 1,000 Gallons	\$.72	\$ 1.20

Note: The base facility charge includes no gallonge.

MONTHLY WASTEWATER RATES

Residential

<u>Base Facility Charge</u>		Staff's Preliminary
<u>Meter Sizes:</u>	<u>Current Flat Rate</u>	<u>Rates</u>
All meter sizes	\$ 15.88 (per unit)	\$ 9.54
<u>Gallonge Charge:</u>	N/A	\$ 2.37
Per 1,000 Gallons (10,000 Gallons max)		

Multi-Residential And General Service

<u>Meter Sizes:</u>	<u>Current Flat Rates</u>	<u>Staff's Preliminary Rates</u>
5/8" x 3/4"	\$ 15.88 (per unit)	\$ 9.54
3/4"	15.88 (per unit)	14.30
1"	15.88 (per unit)	23.84
1 1/2"	15.88 (per unit)	47.68
2"	15.88 (per unit)	76.28
3"	15.88 (per unit)	152.56
4"	15.88 (per unit)	238.38
6"	15.88 (per unit)	476.76

Gallage Charge N/A \$ 2.84
per 1,000 gallons

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in an accounting report dated August 4, 1998. Copies of the report may be examined by interested members of the public from 8:00 a.m. to 5:00pm at the following location:

Orchid Springs Development Corporation
Water and Sewer Office Hours:
700 Overlook Drive 8:00am - 5:00pm.
Winter Haven, FL 33884 Monday - Friday
(941) 324-3698

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Public Service Commission Staff will prepare a recommendation which is tentatively scheduled to be submitted to the Public Service Commission on October 22, 1998. The Public Service Commission will then vote on staff's recommendation at its November 3, 1998 agenda conference. The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date the PAA order is issued to protest the Commission's proposed agency action order. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order should so indicate at the meeting. Those individuals are expected to distribute the information in the

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recommendation and the order to other customers. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so in writing to the Commission at the address at the end of this notice.

HOW TO CONTACT THE COMMISSION

Written comments regarding the utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

All correspondence should refer to "Docket No. 980441-WS, Orchid Springs Development Corporation Water and Sewer"

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Affairs at the following toll-free number: 1-800-342-3552.

This notice was prepared by Commission Staff for distribution by the utility to its customers.