



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: August 19, 1998
TO: Division of Records and Reporting
FROM: Division of Legal Services (Ferguson) *CF*
RE: Docket No. 980441-WS - Application for staff-assisted rate case in Polk county by Orchid springs Development Corp. Water & Sewer.

Please file the attached letter with attachments dated August 14, 1998 in the docket file for the above-referenced docket.

CF/dr

cc: Division of Water and Wastewater (Rendell, Dewberry)

EAORCHIDME.CF

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

DOCUMENT NUMBER-DATE

09056* AUG 21 88

FPSC-REG/RCR/REPORTING



"Neighbor to Cypress Gardens"

(941) 324-3698

ORCHID SPRINGS

DEVELOPMENT CORPORATION

710 OVERLOOK DRIVE — WINTER HAVEN, FLORIDA 33884

August 14, 1998

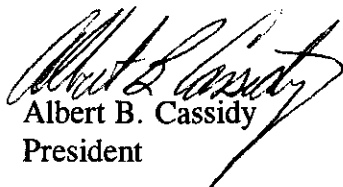
Public Service Commission
Attn.: Cleveland Ferguson III
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

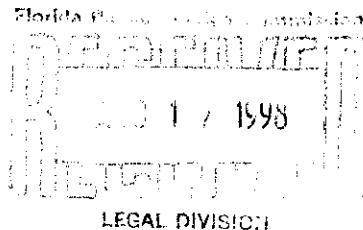
Re: Docket No. 980441-WS

Dear Mr. Ferguson:

Attached is a copy of the exact notice, date filled in, that was mailed to our Orchid Springs Water and Sewer customers. This notice was mailed on August 14, 1998 via first class mail.

Sincerely,


Albert B. Cassidy
President



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: August 14, 1998

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
<u>Gallorage Charge</u> per 1,000 gallons	N/A	\$ 2.84

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.