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DIVISION OF WATER & WASTEWATER  
CHARLES H. HILL  
DIRECTOR  
(850) 413-6900

# Public Service Commission

August 10, 1998

Mr. Albert B. Cassidy, President  
Orchid Springs Development Corporation Water and Sewer  
710 Overlook Drive  
Winter Haven, FL 33884

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

Dear Mr. Cassidy:

The accounting report dated August 4, 1998 addresses issues required for processing the requested staff assisted rate case for Orchid Springs Development Corporation Water and Sewer. As addressed in Issue 3, the utility provided a warranty deed showing that the utility owns the land on which its water and wastewater plants are located. However, the warranty deed includes descriptions for non-utility and utility land. Therefore, a land value was not included in the calculation of staff's preliminary rates. In order to include a land value in staff's final recommendation, the utility must provide the acreage and cost of the land on which the water and wastewater treatment plants are located. The cost of the land must be the value at the time the land was first dedicated to utility service. This information must be received by September 9, 1998.

ACK \_\_\_\_\_ During a phone conversation it was discovered that all of the utility's customers were not  
AFA \_\_\_\_\_ accounted for in the billing analysis included in the staff audit. Staff requested additional  
APP \_\_\_\_\_ information, which was received on July 22, 1998. This information provided a schedule listing the  
CAF \_\_\_\_\_ number and size of meters for all classes of customers in the utility's customer base (see Attachment  
CMU \_\_\_\_\_ A). This schedule was used to determine the number of bills generated for the test period ended  
CTR \_\_\_\_\_ March 31, 1998. We used consumption provided by the audit for some customers and estimated  
consumption for those customers where consumption was not available.

- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

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DOCUMENT NUMBER - DATE

08534 AUG 11 98

PSC - RECORDS/REPORTING

Mr. Albert B. Cassidy, President

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In order to calculate accurate rates, we need accurate billing data for the period April 1997 through March 1998. I have enclosed a schedule (see Attachment B) grouping customers as listed on Attachment A to be completed using actual number bills and consumption for the 12-month period ended March 31, 1998. In addition, I have enclosed an Attachment C schedule for each group of customers for completion. Please complete the enclosed and return them to me by September 9, 1998. If you need assistance, please call me at (850) 413-6962.

Sincerely,



Paulette Dewberry

Professional Accountant Specialist

PD:tyg(cassidy.ltr)

Enclosure(s)

cc: ✓ Division of Records and Reporting  
Division of Water and Wastewater (Willis, Rendell, Fuchs)  
Division of Legal Services ( Jaber, Ferguson)  
Martin S. Friedman