BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for limited proceeding rate increase in Polk County by Orchid Springs Development Corporation.

DOCKET NO. 20180063-WS ORDER NO. PSC-2018-0591A-PAA-WS ISSUED: January 16, 2019

AMENDATORY ORDER

BY THE COMMISSION:

On December 19, 2018, we issued Order No. PSC-2018-0591-PAA-WS approving a rate increase for Orchid Springs Development Corporation, However, due to a scrivener's error, the following language was omitted from the Order and shall now be added as the first paragraph under the heading **II. Water and Wastewater Rates.**

In the Utility's last rate case, the revenue requirement increase was so minimal (.23 percent), we found it appropriate from a rate stability perspective to maintain the existing water rate structure and rates until a future proceeding.^[1] The existing water rate structure consists of a base facility charge (BFC) and a uniform gallonage charge. The water BFC generates approximately 56 percent of the Utility's existing water revenues. It has been our practice to set the BFC allocation no greater than 40 percent for water, unless there is seasonality and a concern for revenue stability. In addition, BFC allocations are lowered in order to design gallonage charges that send pricing signals to target discretionary usage. In order to assess the seasonality and usage patterns of a utility's customer base, we rely on a billing analysis, which is a compilation of the utility's test year bills at each consumption level. In a limited proceeding docket, a billing analysis is not a filing requirement and was not provided.

Therefore, Order No. PSC-2018-0591-PAA-WS is amended to include the language set forth above.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Order No. PSC-2018-0591-PAA-WS is hereby amended to include the language set forth in the body of this Order PSC-2018-0591A-PAA-WS. It is further

^[1]Order No. PSC-15-0569-PAA-WS, issued December 16, 2015, in Docket No. 140239-WS, *In re: Application for staff-assisted rate case in Polk County by Orchid Springs Development Corporation.*

ORDER NO. PSC-2018-0591A-PAA-WS DOCKET NO. 20180063-WS PAGE 2

ORDERED that Order No. PSC-2018-0591-PAA-WS, as amended by Order PSC-2018-0591A-PAA-WS, is reaffirmed in all other respects.

By ORDER of the Florida Public Service Commission this 16th day of January, 2019.

ADAM J. TEITZMAN

Commission Clerk

Florida Public Service Commission

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

CWM