

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation of water ) DOCKET NO. 910658-WU  
rates of BCD INDUSTRIES, INC. ) ORDER NO. PSC-92-0715-FOF-WU  
in Osceola County for possible ) ISSUED: 07/28/92  
overearnings )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman  
J. TERRY DEASON  
BETTY EASLEY  
LUIS J. LAUREDO

ORDER CLOSING DOCKET

BY THE COMMISSION:

BCD Industries, Inc., (BCD or utility) is a class "C" water and wastewater utility located near Kissimmee, Florida. BCD serves six commercial customers. By Order No. 24818, issued July 15, 1991, we initiated this investigation into BCD's water rates for potential overearnings and required that BCD's water revenues be held subject to refund. After auditing BCD's books and records, we required BCD to refund \$12,274 and ordered that a portion of BCD's water rates be held subject to refund pending further review of the City of Kissimmee's status as a BCD customer. See Order No. 25598, issued January 13, 1992.

We noted in Order No. 25598 that BCD's overearnings were caused by its providing service to a temporary water customer, the City of Kissimmee (the City). The City originally connected to BCD so that BCD would have a backup source of supply in lieu of a second well. However, the City began requiring large amounts of water from BCD in 1989 because one of its wells failed. The City's consumption continued from that time into 1991, although the volume of consumption decreased significantly over time.

The Director of the City's Water and Sewer Department stated that Kissimmee's consumption has diminished for quite some time and will continue to diminish until it ceases altogether. In a June 12, 1992, letter, the Director informed us that the City is using only very small amounts of water from BCD to boost pressure on the west end of the City, that the City will not require water from BCD once a closed loop system has been installed in that area, and that

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the City would only purchase large amounts of water from BCD under emergency conditions.

In addition, BCD's 1991 annual report does not indicate that BCD's overearnings have continued into 1991. Since the City no longer requires large amounts of water from BCD and does not anticipate any future need for such (other than in an emergency), we do not expect an overearnings problem for 1992. Further, we have verified that BCD made the \$12,274 refund we required by Order No. 25598 in a timely manner.

In consideration of the above, further refund of any water rates collected subject to refund shall not be required. The security which BCD provided for a potential refund (a letter of credit in the amount of \$24,133) shall be returned. BCD's water rates will no longer be subject to refund, and this docket will be closed.

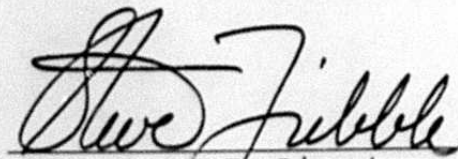
Based on the foregoing, it is, therefore

ORDERED by the Florida Public Service Commission that the water rates of BCD Industries, Inc., are no longer held subject to refund. It is further

ORDERED that a refund of the water rates collected subject to refund is not required and that the security which BCD Industries, Inc., provided for a potential refund shall be returned. It is further

ORDERED that this docket is closed.

By ORDER of the Florida Public Service Commission this 28th day of July, 1992.



STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

MJF

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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.