

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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JUL 31 2008

In re: Application for staff-assisted rate case in  
Pasco County by Orangeland Water Supply.

Docket No. 070601-WU

**SETTLEMENT AGREEMENT**

THIS SETTLEMENT AGREEMENT is made and entered into this 31<sup>st</sup> day of July, 2008, by and between Orangeland Water Supply ("Orangeland," "Utility" or "Company"), and the Office of Public Counsel ("OPC" or "Citizens") on behalf of the customers of Orangeland.

**WITNESSETH**

WHEREAS, the Florida Public Service Commission ("Commission") issued Proposed Agency Action Order No. PSC-08-0309-PAA-WU in this docket on May 13, 2008 ("PAA Order"); and

WHEREAS, in order to avoid the time, expense and uncertainty associated with adversarial litigation, and in keeping with the Commission's long-standing policy and practice of encouraging parties in protested proceedings to settle issues whenever possible, the Citizens and Orangeland hereby enter into this Agreement to settle this case in accordance with the terms and conditions contained herein.

NOW, THEREFORE, for and in consideration of the mutual covenants set forth below, the Citizens and Orangeland agree as follows:

1. The PAA Order shall be amended as follows:

- a. The third paragraph under the heading "REPRESSION ADJUSTMENT," shall be deleted and replaced with the sentence: Orangeland and OPC agree that after application of a stipulated repression adjustment the rates approved by this PAA Order shall be as provided in the Section titled "MONTHLY RATES."
- b. The first paragraph and the first sentence of the second paragraph under the heading "MONTHLY RATES" shall be deleted and replaced with the following sentence: The appropriate post-repression final rates approved by this PAA Order shall be as provided in Schedule No. 4, attached hereto.
- c. Schedule No. 4 shall be deleted and replaced with new schedule No. 4, which has been agreed to by Orangeland and OPC. See Exhibit "A", attached hereto, which provides the new stipulated Schedule No. 4.

2. The submission of this Settlement Agreement by the Parties is in the nature of an offer to settle. Consequently, if this Settlement Agreement is not accepted and approved without modification by Commission Order, then this Settlement Agreement is rejected and shall be considered null and void and neither Party may use the attempted agreement in this or any other proceeding.

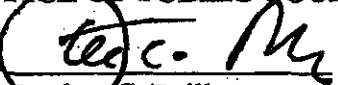
3. Orangeland and the Citizens expressly agree that all activity relating to this docket should be suspended until the Commission disposes of the Joint Motion Requesting Commission Approval of Settlement Agreement.

4. This Settlement Agreement will become effective on the date the Commission enters a final order approving the agreement in total. Upon the Commission issuing a final order approving this Settlement Agreement, the Citizens' Petition on Proposed Agency Action shall be deemed resolved, in accordance with the terms of this Settlement Agreement.

5. The Parties have evidenced their acceptance and agreement with the provisions of this Settlement Agreement by their signatures, and personally represent that they have authority to execute this Settlement Agreement on behalf of their respective Parties.

**OFFICE OF PUBLIC COUNSEL**

By



Stephen C. Reilly  
Associate Public Counsel  
On behalf of the Customers  
of Orangeland Water Supply

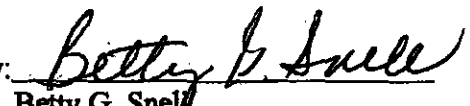
**ORANGELAND WATER SUPPLY**

By



Frederick J. Snell  
Co-Owner

By



Betty G. Snell  
Co-Owner

**ORANGELAND WATER SUPPLY  
TEST YEAR ENDING 6/30/07  
MONTHLY WATER RATES**

**SCHEDULE NO. 4  
DOCKET NO. 070801-WU**

	<b>UTILITY'S EXISTING RATES</b>	<b>STIPULATED RATES</b>	<b>MONTHLY RATE REDUCTION</b>
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**Residential and General Service  
Base Facility Charge by Meter Size:**

5/8"X3/4"	\$5.00 *	\$14.86	\$0.16
3/4"	\$0.00	\$22.29	\$0.24
1"	\$0.00	\$37.15	\$0.40
1-1/2"	\$0.00	\$74.30	\$0.79
2"	\$0.00	\$118.88	\$1.28
3"	\$0.00	\$237.76	\$2.53
4"	\$0.00	\$371.50	\$3.95
6"	\$0.00	\$743.00	\$7.91

\* Existing rates included 5,000 gallons in the Base Facility Charge.

**Residential and General Service Gallonage Charge**

Per 0 - 5,000 gallons	\$0.00	\$1.92	\$0.02
Per 1,000 gallons over 5,000	\$0.25	\$2.40	\$0.03

**Typical Residential 5/8" x 3/4" Meter Bill Comparison**

3,000 Gallons	\$5.00	\$20.62
5,000 Gallons	\$5.00	\$24.46
10,000 Gallons	\$6.25	\$36.46

Exhibit "A"