CORRESPONDENCE 11/30/2018 DOCUMENT NO. 07353-2018

COMMISSIONERS: ART GRAHAM, CHAIRMAN JULIE I. BROWN DONALD J. POLMANN GARY F. CLARK ANDREW GILES FAY



DIVISION OF ECONOMICS JUDY HARLOW DIRECTOR (850) 413-6410

Public Service Commission

November 30, 2018

Ms, Beverly Westover 411 San Jose Drive Winter Haven, FL. 33884 COMMISSION CLERK

Re: Docket No. 20180063-WS – Application for limited proceeding rate increase in Polk County by Orchid Springs Development Corporation

Dear Ms. Westover:

Thank you for you letter in which you expressed concerns regarding the proposed preliminary rate increase determined in the limited proceeding water and wastewater case for Orchid Springs Development Corporation (Orchid Springs). To ensure that the Florida Public Service Commission (Commission) and Commissioners have knowledge of your concerns, your letter and the utility's response has been placed in the correspondence section of the docket file.

We understand your concerns regarding Orchid Springs proposed rate increase. Florida Statues Chapter 367, require the Commission to fix rates which are just, reasonable, compensatory and not unfairly discriminatory. The Commission must allow each utility under its jurisdiction the opportunity to earn a fair return on its investment used and useful in providing utility service. During the case, the Commission's accountants, engineers, and economists examine the utility's financial and engineering information to make a recommendation to the Commissioners

In addition, you expressed concern about the "price of the meter" going up each time the utility has an increase. A customer only pays for a meter once at the initial installation unless it is damaged or replaced at the customer's request. The utility bill customers a base facility charge based on meter size. The meter size, including the consumption, is used to bill for both water and wastewater service.

cc:

Hopefully, this letter addresses your concerns. If you have any additional questions, or require assistance, please feel free to contact me at (850) 413-6435 or email me at tbethea@psc.state.fl.us

Terence Bethea

Public Utility Analyst I Division of Economics

Florida Public Service Commission

Commission Clerk's Office (Docket No. 20180063-WS)