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REPLY TO: Tallahassee

August 27, 1993

Mr. Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0850

HAND DELIVERY

Re: Docket No. ~~920199~~-WS

Dear Mr. Tribble:

Enclosed for filing in the above-referenced matter are the original and fifteen copies of the Petition of Southern States Utilities, Inc. for a Modification of the Bond Securing Refunds.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

ACK 1 Thank you for your assistance with this filing.

AFA 1

APP _____

CAF _____

CMU _____

CTR KAH/rl

ENC Enclosures

LES Lee/mj

LIN 3

ORL _____

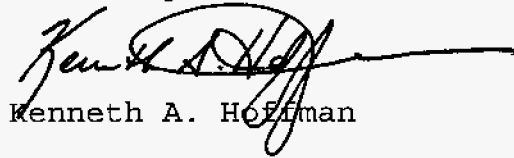
ROB _____

SEC 1

WAS _____

QTH _____

Sincerely,


Kenneth A. Hoffman

RECEIVED & FILED

29
EPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

09246 AUG 27 8

EPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Southern)
States Utilities, Inc. and Deltona)
Utilities, Inc. for Increased)
Water and Wastewater Rates in)
Citrus, Nassau, Seminole, Osceola,)
Duval, Putnam, Charlotte, Lee,)
Lake, Orange, Marion, Volusia,)
Martin, Clay, Brevard, Highlands,)
Collier, Pasco, Hernando, and)
Washington Counties.)

Docket No. 920199-WS
Filed: August 27, 1993

**PETITION OF SOUTHERN STATES UTILITIES, INC.
FOR A MODIFICATION OF THE BOND SECURING REFUNDS**

Southern States Utilities, Inc. ("SSU" or the "Company"), by and through its undersigned attorneys, hereby requests that the Commission issue an order reducing the amount of the bond currently on file with the Florida Public Service Commission (the "Commission") in the above referenced docket and in support of this Petition states as follows:

1. By Order No. PSC-92-0948-FOF-WS issued in the above referenced docket on September 8, 1992 (the "Interim Order"), the Commission authorized SSU to increase its rates, subject to refund, pending final determination of SSU's rate application.
2. As a condition of the Interim Order, the Commission required SSU to post a bond in the amount of \$5,918,227. A copy of the Bond For Security of Refunds (the "Bond") posted by SSU with the Commission is attached hereto as Appendix A.
3. If not renewed, the Bond will expire as of September 4, 1993.
4. By Order No. PSC-93-0423-FOF-WS, issued March 22, 1993 (the "Final

Order"), the Commission established final rates in this proceeding.

5. As a result of the Final Order, Southern States is obligated to provide its customers with a refund of interim rates.

6. At the Commission's Agenda Conference held on August 17, 1993, the Commission indicated that the refund amount resulting from the Final Order would be reduced due to an error in calculation. SSU expects that the refund liability will be approximately \$1 million.

7. Safeco Insurance Company of America, the issuer of the Bond, charges SSU a fee equivalent to fifty (50) basis points of the face amount of the bond. Thus, the annual fee for a bond in the amount of \$5,918,227 is \$30,000. The annual fee for a bond in the amount of \$1 million would only be \$5,000. Therefore, SSU would be able to save approximately \$25,000 if the Commission were to authorize SSU to substitute a bond in the amount of \$1 million for the existing \$5,918,227 bond. In the alternative, SSU requests that the Commission rescind that portion of the Interim Order which requires SSU to post a bond to secure payment of the refunds and instead enter an order permitting SSU to provide the Commission with a corporate undertaking in the amount of \$1 million to accomplish such purpose.

8. SSU respectfully requests expedited consideration of the request made in this Petition to permit SSU to achieve the indicated savings.

WHEREFORE, SSU respectfully requests that the Commission enter an order modifying the Interim Order to either permit SSU to replace the existing \$5,918,227 bond with a bond in the amount of \$1 million or, in the alternative, authorize SSU to replace the existing bond with a corporate undertaking.

Respectfully submitted,



BRIAN P. ARMSTRONG, ESQUIRE
Southern States Utilities, Inc.
1000 Color Place
Apopka, Florida 32703
(407) 880-0058

and

KENNETH A. HOFFMAN, ESQUIRE
Messer, Vickers, Caparella, Madsen
& Lewis
215 South Monroe Street, Suite 701
Tallahassee, Florida 32302-1876
(904) 222-0720

Attorneys for Southern States
Utilities, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing Petition Of Southern States Utilities, Inc. For A Modification Of The Bond Securing Refunds was furnished by U.S. Mail, this 26th day of August, 1993, to the following:

Harold McLean, Esq.
Office of Public Counsel
111 West Madison Street
Room 812
Tallahassee, Florida 32399-1400

Larry M. Haag, Esq.
County Attorney
107 N. Park Avenue
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Catherine Bedell, Esq.
Florida Public Service Commission
Division of Legal Services
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Assistant Attorney General
Department of Legal Affairs
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Tampa, Florida 33601

Spring Hill Civic Assoc.
4575 Kirkland Avenue
spring Hill, Florida 34606

Michael S. Mullin, Esq.
P. O. Box 1563
Fernandina Beach, Florida 32034

Senator Ginny Brown-Waite
20 N. Main Street
Brooksville, Florida 34601

By:


BRIAN P. ARMSTRONG, ESQ.

BEFORE
THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of the Application)
of Southern States Utilities, Inc.) Docket No. 920199-WS
and Deltona Utilities, Inc.)
for a General Rate Increase)

BOND FOR SECURITY OF REFUNDS

KNOW ALL PEOPLE BY THESE PRESENTS, that we, Southern States Utilities, Inc., and Deltona Utilities, Inc. ("the Companies") as principal, and Safeco Insurance Company of America as surety, are held and firmly bound unto the Company's customers affected by the Application for a General Rate Increase filed in the above-captioned proceeding for the sum of Five Million Nine Hundred Eighteen Thousand Two Hundred Twenty Seven Dollars (\$5,918,227).

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Commission should require a refund in its final order issued in this proceeding, the Company hereby promises to refund amounts it has collected as determined in the final order of the Commission, pursuant to the provisions of FPSC Rule 25-30.360. Any such refunds shall include interest at the prescribed rate.

SIGNED, sealed and dated this 4 of September, 1992.

Attest:
G. W. Quinn

SOUTHERN STATES UTILITIES, INC.
BY: *Bert T. Phillips*
Bert T. Phillips, President

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing was acknowledged before me this 4th day of September, 1992, by Bert T. Phillips, President of Southern States Utilities, Inc., on behalf of the corporation. He is personally known to me.



ARLENE S. GETTELMAN
My Comm. Exp. 3-8-94
Bonded Thru Service Ins. Co.

Arlene S. Gettelman
Arlene S. Gettelman, Comm. #756417
Notary Public, State of Florida at Large

Witness:
G. J. Otter

SAFECO INSURANCE COMPANY of America
BY: *Helen L. Craytor*
Attorney-In-Fact

STATE OF GEORGIA
COUNTY OF DEKALB

The foregoing was acknowledged before me this 4th day of September, 1992 by Helen L. Craytor, Attorney-In-Fact for SAFECO Insurance Company of America

Notary Public, DeKalb County, Georgia *Estella D. Mathis* (Notary)
My Commission Expires May 20, 1995 Estella Mathis

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