Commissioners: Julie I. Brown, Chairman Lisa Polak Edgar Art Graham Ronald A. Brisé Jimmy Patronis STATE OF FLORIDA

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DIRECTOR (850) 413-6410

## Public Service Commission

April 22, 2016

Sunny Shores Water Company Attn: Jack and Debbie Mason 3827 116<sup>th</sup> St. W Bradenton, FL 34210

Re: Docket No. 160023-WU – Application for transfer of majority organizational control of Sunny Shores Water Company, Inc., holder of Certificate No. 578-W in Manatee County, from Jack E. Mason to Jack E. Mason, II and Debbie A. Mason.

Dear Mr. and Mrs. Mason:

This letter is in response to Sunny Shores Water Company's (Sunny Shores or utility) request for a late payment charge. After reviewing the utility's request for a late payment charge, staff has a few questions that we believe will help in our analysis.

- 1. In the utility's request, it was indicated that 40 delinquent notices are processed each month. The utility bills on a quarterly basis. Please explain in detail why the utility is processing delinquent notices on a monthly basis.
- 2. The request indicates that the labor cost per hour is \$30. Please provide documentation in support of the labor cost.
- 3. The utility's tariff authorizes a flat rate of \$69.85, which includes usage up to 10,800 gallons. For those customers using 10,800 gallons or less, their total bill would be \$69.85. If the utility's late payment charge was five percent of the bill, it would result in a late payment charge of \$3.49. Please indicate whether the utility believes it would fully recover its actual cost of processing a delinquent notice if a late payment charge was approved based on the five percent.

PSC Website: http://www.floridapsc.com

Internet E-mail: contact@psc.state.fl.us

Mr. and Mrs. Mason Page 2 April 22, 2016

4. Please indicate for a quarterly billing cycle the average percentage of customer bills that exceed 10,800 gallons.

Please respond to staff's data request by May 13, 2015. Furthermore, please submit the following information to the Office of Commission Clerk, Docket No. 160023-WS, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0850. The information should not be addressed to staff. If you have any questions, please feel free to contact me at (850) 413-6218.

Sincerely,

Charlie Johnson Public Utility Analyst I

cc: Office of Commission Clerk (Docket No. 160023-WU) Cheryl Gordon