

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for amendment of	)	DOCKET NO. 900219-WS
tariffs to reflect an after-hours	)	ORDER NO. 23281
premises visit charge in Osceola	)	ISSUED: 7/31/90
County by ORANGE-OSCEOLA UTILITIES,	)	
INC.	)	
	)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman  
 THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER  
 FRANK S. MESSERSMITH

ORDER DENYING REQUEST FOR AFTER-HOURS  
PREMISES VISIT CHARGE AND GRANTING  
REQUEST FOR SERVICE PROBLEM  
IDENTIFICATION CHARGE

BY THE COMMISSION:

BACKGROUND

Orange-Osceola Utilities, Inc., (Orange-Osceola or utility) is a Class A water and wastewater utility with approximately 6,223 water customers and 5,169 wastewater customers. On March 16, 1990, the company filed revised tariff sheets to implement an after-hours premises visit charge and a "service problem identification charge." Corrections to the revised tariff sheets were submitted with a June 13, 1990, letter. Orange-Osceola waived the sixty-day requirement of Section 367.091(5), Florida Statutes.

AFTER HOURS PREMISES VISIT CHARGE

The utility requested approval of a \$20.00 after-hours premises visits charge. A premises visit charge is a charge levied when a service representative visits a customer premises to discontinue service for nonpayment of a due and collectible bill though service is not discontinued because the customer pays the service representative or otherwise makes satisfactory arrangements to pay. An after-hours premises visit charge is

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simply a charge made when the service representative makes his call after regular business hours. The expenses which the company estimates it incurs for its after-hours premises visits are as follows:

Technician labor cost for call-out (1 hour minimum)	\$11.24
Administrative/Supervision cost	5.97
Vehicle cost @ 29¢ per mile times 10 miles	<u>2.90</u>
	\$20.11

By its own estimate, Orange-Osceola made only two (2) after hours premises visits in 1989. Although an argument can be made that the utility should be allowed to charge for any service that creates an additional expense, we find that the infrequent nature of this type of call does not create a financial burden. Therefore, the request for an after-hours premises visit charge is hereby denied.

#### SERVICE PROBLEM IDENTIFICATION CHARGE

The utility has requested the approval of a type of charge new to the water and wastewater industry called a "service problem identification charge." The charge is proposed to be assessed (1) when a customer requests that the utility inspect a problem and the utility discovers that there is either not a problem or that the problem is not the responsibility of the utility; and (2) when a customer requests that the utility reread a meter and the utility discovers that the meter was read correctly the first time. Orange-Osceola has requested one service problem identification charge for calls made during regular business hours and another service problem identification charge for calls made after regular business hours.

The company proposes to assess a \$10.00 charge for service rendered during regular working hours and a \$20.00 charge for service rendered after regular working hours. The \$10.00 amount is based on the miscellaneous service charge rates the company already has in place, and the \$20.00 amount is based on the estimated visit call-out costs as shown in the discussion of the after-hours premises visit charge. Charges for re-reading a meter would be applied only after one free re-reading per calendar year per customer.

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The company estimates that 210 such calls occurred last year during regular working hours and 50 calls occurred after working hours. The estimated revenue generated by the charge would be \$3,100. The company asserts that these types of calls have grown over the last few years.

This type of charge has long been used in the electric and telecommunication industries, where it is called a "trouble location charge." For instance, in the telecommunication industry, the charge applies when a customer requests that the utility inspect a problem and the utility discovers that the problem is not on its side of the network. The purpose of the charge in the electric and telecommunication industries is to place the burden of the expense on the "cost causer."

We find the company's cost estimates in this case to be reasonable; and we hereby approve the request to implement a \$10 charge during working hours and a \$20 charge after working hours for a service problem identification call. The revenue generated from this charge will help offset expenses, but will not cause the company to overearn. In addition, we hereby require the utility to notify its existing customers of this new charge through bill inserts and notify new customers at the time they apply for service.

It is, therefore,

ORDERED by the Florida Public Service Commission that the requested tariff revision of Orange-Osceola Utilities, Inc., for an after-hours premises visit charge is hereby denied. It is further

ORDERED that the requested tariff revision for service problem identification charges is approved. It is further

ORDERED that the utility shall notify existing customers of the service problem identification charge through bill inserts and shall notify new customers when they apply for service. It is further

ORDERED that the service problem identification charge shall be effective for service rendered on or after the stamped approval date of the revised tariff sheet. It is further

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ORDERED that this docket is closed.

By ORDER of the Florida Public Service Commission  
this 31st day of JULY, 1990.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

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by: Kay Flynn  
Chief, Bureau of Records

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 Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.