

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of Taylor Tire
and Service Center, Inc.,
against Aloha Utilities, Inc.,
in Pasco County regarding
billing dispute.

DOCKET NO. 000611-WS
ORDER NO. PSC-00-1164-PAA-WS
ISSUED: June 26, 2000

The following Commissioners participated in the disposition of
this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER

NOTICE OF PROPOSED AGENCY ACTION ORDER CONCERNING
COMPLAINT OF TAYLOR TIRE AND SERVICE CENTER, INC.,
AGAINST ALOHA UTILITIES, INC., AND CLOSING DOCKET

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service
Commission that the action discussed herein is preliminary in
nature and will become final unless a person whose interests are
substantially affected files a petition for a formal proceeding,
pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

We first became aware that Taylor Tire and Service Center,
Inc. (Taylor Tire or customer), was having a dispute with Aloha
Utilities, Inc. (Aloha or utility), concerning billing, when on
July 8, 1999, our Division of Consumer Affairs (Consumer Affairs)
received correspondence from Mrs. Judith A. Taylor on behalf of
Taylor Tire. Mrs. Taylor alleged that at least once a year, Aloha
overbills the water account. In this instance, the utility had
billed Taylor Tire for 77,300 gallons of water used in only one
month. She stated that for the past 13 years, the account has
remained under the same ownership with the same services. Mrs.
Taylor also contended that due to road construction, the business

DOCUMENT NUMBER-DATE

07739 JUN 26 8

FPSC-RECORDS/REPORTING

was slow. She stated that "[e]ither the equipment is malfunctioning or the road construction crew has caused a problem."

Aloha responded to the complaint on July 26, 1999. In its response, Aloha stated that there were "seasonal increases over the history of this account." Aloha also reported that Mrs. Taylor called the utility on June 10, 1999, requesting a reread of the meter due to a high bill. On the same day, Aloha reread the meter and found that there was consumption since the last reading. Aloha also reported that it detected no water leaks.

On June 11, 1999, the utility alleged that it discussed the outcome of its investigation with Mrs. Taylor's husband, Mr. Mark Taylor. Also, on August 4, 1999, Consumer Affairs sent Mrs. Taylor a letter explaining that it appeared that her account was properly billed for the May 31, 1999, bill.

Subsequent to this letter, Taylor Tire still did not pay the disputed amount, and the utility gave notice to Taylor Tire on February 15, 2000, that it was going to disconnect the customer's service effective February 23, 2000 unless the bill was paid. When Taylor Tire had not paid the disputed portion of the bill by February 22, 2000, Aloha contacted Consumer Affairs to determine if there was any pending action which would prevent disconnection. Consumer Affairs notified Aloha that the customer had been previously contacted about the outcome of the earlier investigation, and that no further action was pending.

On February 24, 2000, Mr. Taylor called Consumer Affairs. The results of the earlier investigation were explained to him. Also, on that same day, Consumer Affairs received a telephone call from a legislative representative about the customer's account. Consumer Affairs asked Aloha to reconnect the customer's service pending a further investigation. The utility indicated that the customer did not comply with disconnection notices, and that therefore it would not reconnect the service.

That same day, Consumer Affairs called Mr. Taylor, who stated that he paid his monthly bills, except the disputed amount of \$440. Upon calling the utility, our staff was advised that the past-due amount was \$397. At staff's request, Aloha agreed to have a meter test performed on the meter that served Taylor Tire, provide Consumer Affairs with a copy of the customer's billing history, and reconnect the customer's service on the morning of February 25, 2000.

However, when Consumer Affairs called the customer on the morning of February 25, 2000, the service was still off. Consumer Affairs then sought assistance from a staff member of the Division of Water and Wastewater. When that staff member contacted Aloha, the utility advised him that the customer's service would not be restored without payment. The customer paid the delinquent amount under protest, and advised staff that the water was turned off for only about one day.

By letter dated February 25, 2000, Aloha explained its previous report to Consumer Affairs. The utility further confirmed that a delinquent notice was mailed to the customer on February 15, 2000, requesting payment. The utility also provided staff with the customer's billing history information and bench meter test results. The meter test results indicated that the meter was not registering too fast, but slow on the low and intermediate flows. Due to the meter problem, Aloha alleged that the account was undercharged by approximately 15 percent. The utility did not backbill the customer's account for the slow registration.

INFORMAL CONFERENCE

On February 29, 2000, Consumer Affairs received Mr. Taylor's written informal conference request. An informal conference was held on May 3, 2000, with the customer, the utility, and a Consumer Affairs staff member. Mr. Taylor stated that his May 31, 1999, bill was for 77,300 gallons of water, \$114 for the water charge and \$258 for the wastewater charge, and argued that this was an unbelievable amount of water for an automotive repair facility. Mr. Taylor contended that his average bill is between 5,000-7,000 gallons of water, sometimes higher or lower.

Mr. Taylor also asserted that during the high bill period, April 28, 1999, through May 28, 1999, there was road construction in his area. As a result, Mr. Taylor alleged that it caused broken water lines near his business and a 30-35 percent reduction in his business. During this period, Mr. Taylor claimed that his meter had to be removed to redo some of the lines. Mr. Taylor contended that when he was notified by Kimmins Construction (Kimmins), Pasco County's contractor, that there was a problem, the meter serving his business was laying on the ground. He alleged that Kimmins broke the water pipe on both sides of the meter, and believed that Aloha had to repair it. Mr. Taylor claimed that Aloha was in the area on a daily basis at a pump station.

Mr. Taylor believes that the meter test results are irrelevant, and argues that the meter could have failed during the road construction work. Mrs. Taylor asserted that the problem is connected to the road construction. Mr. Taylor continued to dispute the high consumption, and stated that his biggest concern was with the wastewater charge. He indicated that the wastewater charge should be adjusted to 10,000 gallons of water. Mr. Taylor understands the charge for water, but is certain that most of that water was not returned to the wastewater system. He therefore requested that the wastewater charge be capped at 10,000 gallons.

During the conference, Mr. Taylor also objected to the disconnection of his service for nonpayment of the disputed amount. Mr. Taylor alleged that he did not receive Aloha's February 15, 2000, disconnection notice.

Aloha contended that the water went through the meter, and cannot explain how the water was used. The utility asserted that it is a common question for customers to ask where the water went, but the utility does not have the answer. Mr. Stephen G. Watford, for the utility, stated that the customer has a 1½ inch meter and that 77,300 gallons of water is not an exorbitant amount for that meter size, although it is more than the customer's average usage. The utility stated that it sent the customer a delinquent notice on February 15, 2000, and then contacted Consumer Affairs to find out if there was a pending complaint (and found there was no pending action). Therefore, Aloha maintains that the account was properly billed for the water that passed through the meter, which resulted in the \$114.64 water charge and \$258.01 wastewater charge.

The informal conference held on May 3, 2000 was concluded without a settlement. Therefore, by memorandum dated May 23, 2000, our staff filed its recommendation on this complaint, and specifically addressed whether Aloha had billed the correct amount, whether it had followed the correct procedures in disconnecting service, and whether this docket should be closed. We considered this recommendation at the June 6, 2000 Agenda Conference.

MAY 1999 BILL TO TAYLOR TIRE

Rule 25-30.335(1), Florida Administrative Code, states that:

Except as provided in this rule, a utility shall render bills to customers at regular intervals, and each bill shall indicate: the billing period covered; the applicable rate schedule; beginning and ending meter reading; the amount of the bill; the delinquent date or the date after which the bill becomes past due; and any authorized late payment charge.

Mr. Taylor provided staff with a copy of his May 31, 1999, bill for the disputed charge. It shows that his account was billed for 77,300 gallons of water from April 28, 1999, through May 28, 1999. His total bill was \$372.65, which included \$114.64 for the water charge and \$258.01 for the wastewater charge. The customer alleged that the water pipe was broken on both sides of the meter by Pasco County's contractor, Kimmins Construction Company.

The meter test results indicated that the meter was registering within the accuracy limits at the maximum flow and registering below the accuracy limits on the intermediate and minimum flows. Based on this slow registering, Aloha asserts that there is an apparent undercharge of approximately 15 percent each month. Despite this apparent undercharge, Aloha states that it will not backbill the customer's account for the slow registration.

Based on the above, it does not appear that Aloha violated any of our rules regarding the billing of Taylor Tire's account for the \$372.65 charge, and the utility appears to have billed the correct amount. Therefore, it appears that Taylor Tire paid the correct amount when it paid this bill under protest, and no further action is necessary at this time.

DISCONNECT PROCEDURES

Rule 25-30.320(2)(g), Florida Administrative Code, states, in applicable part, that:

As applicable, the utility may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the customer shall be given written notice and allowed a reasonable time to comply with any rule or remedy any deficiency:

(g) For nonpayment of bills, including nonpayment of municipal sewer service under circumstances specifically provided in section 159.18(2), F.S., or noncompliance with the utility's rules and regulations in connection with the same or a different type or a different class of utility service furnished to the same customer at the same premises by the same or affiliated utility only after there has been a diligent attempt to have the customer comply, including at least 5 working days' written notice to the customers. Such notice shall be separate and apart from any bill for service. . . .

Aloha contends that a five-working-days' notice of disconnection was mailed to the customer on February 15, 2000, for payment of the disputed amount. Also, subsequent to staff's August 4, 1999, letter to the customer, and prior to service disconnection, the customer did not notify our staff that the bill was still in dispute. Therefore, it appears that Aloha complied with our rules before disconnecting the customer's service for nonpayment of \$372.65.

CLOSING OF DOCKET

If no person whose substantial interests are affected by our proposed agency action timely files a protest within 21 days of the issuance of this Order, this docket shall be closed upon the issuance of a consummating order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Aloha Utilities, Inc., apparently billed Taylor Tire and Service Center, Inc., the correct amount in compliance with all rules of this Commission. It is further

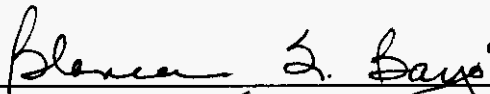
ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDER NO. PSC-00-1164-PAA-WS
DOCKET NO. 000611-WS
PAGE 7

ORDERED that Aloha Utilities, Inc., apparently complied with all Commission rules before disconnecting the customer's service for nonpayment of \$372.65. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 26th day of June, 2000.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

RRJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, 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 will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of

ORDER NO. PSC-00-1164-PAA-WS
DOCKET NO. 000611-WS
PAGE 8

Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 17, 2000.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.