

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of late payment charge by Heather Hills Estates Utilities, LLC, in Manatee County.

DOCKET NO. 090500-WS  
ORDER NO. PSC-10-0014-TRF-WS  
ISSUED: January 4, 2010

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman  
LISA POLAK EDGAR  
NANCY ARGENZIANO  
NATHAN A. SKOP  
DAVID E. KLEMENT

ORDER APPROVING LATE PAYMENT CHARGE

BY THE COMMISSION:

**Background**

Heather Hills Utilities, LLC (Heather Hills or Utility), is a Class C utility which provides service for approximately 354 water and wastewater customers in Manatee County. The Utility's 2008 annual report shows operating revenue of \$112,342 and a net operating loss of \$15,719.

On November 3, 2009, Heather Hills filed an application for approval of a late payment charge,<sup>1</sup> which is the subject of this recommendation. We have jurisdiction pursuant to Section 367.091, Florida Statutes (F.S.).

**Discussion**

Section 367.091, F.S., authorizes us to establish, increase, or change a rate or charge other than monthly rates or service availability charges. Heather Hills has requested a \$5.00 late payment charge. The Utility's request for a late payment charge were accompanied by its reason for requesting the charges, as well as the cost justification required by Section 367.091, F.S. Heather Hills' cost analysis for its proposed late payment charge is shown on the attached Schedule No. 1.

The late payment fee is designed to encourage customers to pay their bills on time to ensure that the cost associated with late payment is not passed onto customers who do pay on time. The Utility's justification for the late payment charge is to place the burden of these costs on the cost causer rather than the general body of ratepayers. We find the estimated cost

<sup>1</sup> This Utility has a pending transfer application in Docket No. 090093-WS. The application for a late payment charge was filed by the current owners, at the request of the prospective buyers, who are currently operating the Utility for the current owners.

DOCUMENT NUMBER-DATE

00035 JAN-4 2010

FPSC-COMMISSION CLERK

provided by the Utility is reasonable. In addition, we note that the Utility bills on a quarterly basis and must float its operational costs for a three month period. As such, customers that fail to pay their bills in a timely manner perpetuate the lag between costs being incurred and revenue being generated.

Based on the above, we approve Heather Hills' proposed late payment charge. The charges shall be effective for services rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Heather Hills Utilities, LLC's requested late payment charge shall be approved. It is further

ORDERED that the late payment charge shall be effective for services rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code. It is further

ORDERED that if a protest is filed by a person whose interests are substantially affected within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest and the docket shall remain open. It is further

ORDERED that if no timely protest is filed, the Order will become final upon the issuance of a Consummating Order and the docket shall be closed.

By ORDER of the Florida Public Service Commission this 4th day of January, 2010.



---

ANN COLE  
Commission Clerk

( S E A L )

ELS

NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), 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.

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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files 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 Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 25, 2010.

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.

COST ANALYSIS

Clerical

Office Clerk - \$437.50 per wk  
Total -\$ 437.50 per wk/ \$ 3.65 per 1/3 hr.

Computer/Copier

Copier -1 black & 1 color printer -\$ 83.34 per month  
Paper - \$ 20.00 per month  
Computer - \$69.00 per month  
Total - \$172.34 per month, \$5.75 per day, .72 per hour

Postage - \$.44

Total Costs

Clerical - \$3.65 per 1/3 hour  
Computer/Copier - \$.72 per hour  
Postage - \$.44  
Total - \$4.81