

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of amendment to  
tariff sheets for miscellaneous service charges  
in Polk County by Pinecrest Utilities, LLC.

DOCKET NO. 120290-WU  
ORDER NO. PSC-13-0427-TRF-WU  
ISSUED: September 19, 2013

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman  
LISA POLAK EDGAR  
ART GRAHAM  
EDUARDO E. BALBIS  
JULIE I. BROWN

ORDER APPROVING SERVICE CHARGE

BY THE COMMISSION:

**Background**

Pinecrest Utilities, LLC. (Pinecrest or Utility) is a Class C water utility serving approximately 128 customers in Polk County. The Utility is located in the Southern Water Use Caution Area of the Southwest Florida Water Management District. However, there are no water use restrictions for the Utility because annual withdrawals are less than 100,000 gallons per day. The Utility's 2012 annual report indicates gross revenues of \$54,594 and net operating loss of \$51.

On November 13, 2012, the Utility filed an application for approval of a tariff amendment to charge customers who opt to pay their water bill by debit or credit card. Order No. PSC-13-0087-PCO-WU, issued February 14, 2013, in the instant docket, suspended the Utility's tariff filing to allow Commission staff sufficient time to review the application and gather all pertinent information.

This Order addresses Pinecrest's request to implement a convenience fee for customers who opt to pay their water bill by debit or credit card via telephone. We have jurisdiction pursuant to Section 367.091, Florida Statutes (F.S).

**Decision**

Section 367.091, F.S., authorizes us to establish, increase, or change a rate or charge other than monthly rates or service availability charges. Pinecrest began accepting debit and credit cards for bill payments on October 30, 2012. The Utility is requesting a \$2.50 convenience fee to recover the cost of supplies, administrative labor, and equipment. As required by Section 367.091, F.S., the Utility's cost analysis breakdown for its requested charge is shown below.

Clerical	\$ 1.27
Cost of paper	\$ .40
Credit card machine	\$ .88
Total	<u>\$ 2.55</u>

We have approved a charge in other industries for customers who opt to pay their bill by debit or credit card. An electronic bill payment fee of \$3.50 was approved for Florida Public Utilities Company's (FPUC) gas customers in 2004.<sup>1</sup> In that case, we found that the charge was necessary to recover the additional costs incurred by the Utility from those customers who opt to pay by credit card, debit card, or electronic check. We also approved a charge of \$3.50 for residential customers and 3.5 percent of the total bill amount for all other customers for FPUC electric customers in 2005.<sup>2</sup> The charge was designed to recover the costs FPUC incurred for customer contact, supervision, and bank and credit card processing.

We find that the Utility's requested charge of a \$2.50 convenience fee is reasonable for customers who opt to pay their water bill by debit or credit card via telephone. The Utility's requested charge benefits the customers by allowing them to expand their payment options. Furthermore, this fee will insure the Utility's remaining customers do not subsidize those customers who choose to pay using this option.

Based on the foregoing, we find that Pinecrest's request for approval to amend its tariff sheet for miscellaneous service charges to include a convenience fee of \$2.50 for customers who opt to pay their water bill by debit or credit card via telephone is reasonable shall be approved. The charge shall be effective for services rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. The revised tariff sheet shall become effective on or after the stamped approval date on the revised tariff sheet, pursuant to Rule 25-30.475, F.A.C. If a protest is filed within 21 days of the issuance date of the Order, the tariff shall remain in effect with the charge held subject to refund pending resolution of the protest.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Pinecrest Utilities, LLC.'s application for approval of a tariff amendment of its miscellaneous service charges to include a convenience fee of \$2.50 to charge customers who opt to pay their wastewater bill by debit or credit card via telephone is approved, as set forth in the body of this Order. It is further

ORDERED that the charge shall be effective for services rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. It is further

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<sup>1</sup>See Order No. PSC-04-1110-PAA-GU, issued November 8, 2004, in Docket No. 040216-GU, In re: Application for rate increase by Florida Public Utilities Company.

<sup>2</sup> See Order No. PSC-05-0676-TRF-EI, issued June 20, 2005, in Docket No. 050244-EI, In re: Request to establish charge for customers paying by credit card, debit card or electronic check, by the Florida Public Utilities Company.

ORDERED that the revised tariff sheet shall become effective on or after the stamped approval date on the revised tariff sheet, pursuant to Rule 25-30.475, F.A.C. It is further

ORDERED that if a protest is filed 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. It is further

ORDERED that the docket shall remain open pending staff's verification that the revised tariff sheets and filing of customer notices by the Utility. It is further

ORDERED that the docket shall be closed administratively upon staff's verification of the filing of customer notices by the Utility.

By ORDER of the Florida Public Service Commission this 19th day of September, 2013.



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ANN COLE  
Commission Clerk  
Florida Public Service Commission  
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Tallahassee, Florida 32399  
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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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 October 10, 2013.

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.