



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

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**DATE:** January 4, 1999  
**TO:** Division of Records and Reporting  
**FROM:** Johnny Butts, Division of Water and Wastewater  
**RE:** Docket No. 981612-WS- Proposed Tariff Revision by Indiantown Company, Inc.

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The attached correspondences were inadvertently sent to the Division of Water and Wastewater and should be included in the official docket file. (1) a letter from the utility's counsel to Chairman Johnson deferring Item #23 on the January 5, 1999 Agenda, (2) a letter from the utility's counsel to Water and Wastewater for additional information, (3) a letter from the utility's counsel waiving 60-day statutory to January 19, 1999 Agenda. Please file these documents in the official file. Thank you.

cc: Troy Rendell  
 Tim Vaccaro

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE  
**00095 JAN-58**  
 FPSC-RECORDS/REPORTING

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December 31, 1998

Julia Johnson, Chairman  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

In re: Docket No. 981612 - WS - Proposed tariff sheets  
by Indiantown Company, Inc.

Dear Chairman Johnson:

Indiantown Company, Inc. is in the process of discussing its proposed tariff with Commission Staff. It would facilitate discussions and possibly permit resolution of issues if the Staff Recommendation could be deferred for one Agenda.

Indiantown Company, Inc. respectfully requests a one Agenda deferral for Item #23 on the January 5, 1999, Agenda.

Sincerely,



David B. Erwin

DBE:jm  
Copy to:

Troy Rendell  
Jeff Leslie

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December 30, 1998

Troy Rendell  
Public Utilities Supervisor  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Dear Mr. Rendell:

This letter is a response to your letter, dated December 29, 1998. Your letter requests information related to the tariff filing of Indiantown Company, Inc., which described a convergent billing system for the company.

1. What other service does Indiantown Company, Inc. provide other than water, wastewater, and telephone?

Response: Indiantown Company, Inc. provides water, wastewater and refuse service, although refuse will not be billed under the convergent billing. Indiantown Company is affiliated with other companies. These other companies provide local telephone service, long distance telephone service and alternative local exchange service. All of the affiliates are subsidiaries of Postco, Inc. Two of the affiliated companies are also regulated by the FPSC, ITS Telecommunications Services, Inc. and Arrow Communications, Inc., both of which will also participate in the convergent billing system, and both of which have also filed tariffs with the FPSC. The two affiliated telephone company tariffs covering the convergent billing system are effective at this time, although billing under the new system has not yet commenced. There is no plan at the present time to provide convergent billing services to non-affiliated companies, although there is no technical or regulatory reason why that could not be done.

2. How many customers will this affect?

Response: All water, sewer and telephone customers.

3. How many of the telephone customers are water and wastewater customers?

Response: In excess of 90% of water and sewer customers are local telephone customers. There are many telephone customers that do not have water and sewer service but only a few water and sewer customers that do not have telephone service. It would be difficult to give a precise breakdown. The comparison would have to be done manually and then would not necessarily be accurate for very long.

4. How many customers receive water, wastewater, telephone, and any other services that may be offered by the utility?

Response: As of 12/30/98, Telephone Customers - 3491, Water Customers - 1750, Sewer Customers - 1665.

5. Mail an example of the proposed invoice that exemplifies "bills for water service and wastewater service may be itemized . . . convergent billing format." This should also be reflected on the Third Revised Sheet No. 27.0 for water and Third Revised Sheet No. 23.0 for wastewater and submitted for approval.

Response: See attached.

6. What "non-regulated services" is the utility referring to under the "Delinquent Bills" section?

Response: The term "non-regulated services," as used in the "Delinquent Bills" section is intended to refer to non "rate" regulated services such as long distance telephone service or services completely unregulated by the PSC, such as paging or internet services.

7. Explain the following: "the service company will not accept partial payment for any bill rendered unless such partial payment completely covers both water and wastewater service or unless an **agreement** has been reached with service company to accept such partial payment."

Response: The company is always reluctant to terminate service, so whenever the company believes that there is a reasonable chance to be paid past due amounts, i.e., whenever a customer has suffered a temporary financial setback and convinces the company that full payment will be forthcoming in the near future, the company will avoid terminating service and will "agree" to accept partial payment if the customer "agrees" to a schedule for full payment.

8. Provide a detailed explanation as to how the billing process will work. For

example: Will the "holding company" collect all monies for payment and then allocate/distribute to different areas for payment? (Garbage, water, wastewater, telephone, etc.)

Response: ITS Telecommunications Systems, Inc. will collect all payments and the billing system will allocate billings and collections to all of the different accounts and companies. Monies will then be distributed to each company as appropriate no less frequently than monthly.

9. Will there be any additional cost associated with convergent billing? If so, how will these costs be recovered?

Response: Prior to the purchase of the present convergent billing system, ITS (The Telephone Company) prepared bills for Indiantown Company, Inc. (The Water and Wastewater Company) on a shared billing system. Under the old system, ITS ran telephone bills and then processed a separate run for water and wastewater bills. Each set of bills was processed and mailed separately. Accordingly, mailing and postage costs were incurred on both runs. Since the telephone and water and wastewater bills will be combined, processing, mailing and postage costs will now be allocated. Accordingly, costs associated with convergent billing should be less than with separate billings.

Please call if you need any further information.

Sincerely,



David B. Erwin  
Attorney for Indiantown Company, Inc.

DBE:jm  
Copy to:

Jeff Leslie

Attachment  
Response to Question 5

The following is an example of what the proposed convergent bill for water and wastewater should approximate. Please note that Page 1 will be a summary of the bills and each item in the summary will have a separate page or more for the details of the billing. In a sense, the convergent bill will include a separate water & sewer bill that is summarized with other services on page 1. This is not an exact format, but is merely a representation. We will file an exact copy of the final version of the bill in a tariff update in early January.

John Doe  
Highway 100 East  
P.O. Box 223  
Indiantown, Fl. 34956

ITS Telecommunications Systems, Inc.  
P.O. Box 277  
Indiantown, Fl. 34956

222-0234                      2222222

John Doe

Page 1 of 2

Payments received after February 15 are not included

For billing questions, please call 597-2111  
For service changes, please call 597-7000

Message, Message, Message,.....

Aging information.....

Previous Balance	.00
Telephone Service	18.46
Telephone Service	24.95
Telephone Service	10.50
Internet Service	14.95
Water and Sewer Service	<b>22.50</b>
Total Amount Due	<u>91.36</u>

222-0324

22222222

Indiantown Company, Inc. Water and Sewer

Jan99 Pg2

Present Meter Reading ..... 741009  
Previous Meter Reading..... 741000  
Present Adjustments ..... 0  
Per 1000 Gallons ..... 9

Water Monthly Charge	0.75	
Sewer Monthly Charge	1.50	
Total Monthly Charges		2.25

1/31/99 Water Usage Charge	6.75	
1/31/99 Sewer Usage Charge	13.50	
Total Usage Charges		20.25

Indiantown Company, Inc. Water & Sewer	Total Charges	<u>22.50</u>
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December 31, 1998

Troy Rendell  
Public Utilities Supervisor  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Dear Mr. Rendell:

You have advised me that the convergent billing tariff filed by Indiantown Company will become effective after 60 days from the date of filing.

If the Commission does not address your recommendation at the January 5, 1999, Agenda, the 60 day time period will expire.

In order to provide time to review your staff recommendation, in light of Indiantown Company's responses to your recent inquiry, I hereby waive the 60 day statutory time period and request that the tariff be considered at the January 19, 1999, Agenda.

Sincerely,



David B. Erwin  
Attorney for Indiantown Company, Inc.

DBE:jm  
Copy to: Jeff Leslie