

ORIGINAL

LINDRICK SERVICE CORPORATION

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May 5, 2000

Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Attention: Blanca S. Bayo, Director

RE: Division of Records and Reporting
PSC 99-1883-PAA-SU
Order Granting Temporary Rates
Revenue Reporting

980242-SU

2000 MAY -8 AM 9:25
DIVISION OF
ADMINISTRATION

Dear Ms. Bayo:

In accordance with the provisions of the above referenced Order, we are pleased to present our long delayed report of the total revenue collected from the wastewater customers and the additional revenue collected through both the temporary and emergency rates for the service provided during the months of December 1999, January and February 2000.

Unfortunately, our independent billing subcontractor experienced a severe Y2K backlash in the first months of the year, in that their new Y2K compliant billing software was unable to produce the data necessary to prepare the required revenue report and promised software updates did not arrive on schedule. In fact, as a result of these problems (beyond our control), Lindrick was subject to late billings and collections for the first several months of the year (seriously impacting business operations). We appreciate the patience and courtesy extended to us by the PSC during the period it took to resolve this problem. Hopefully, we are now back on track and will be able to submit our report on revenue collected from March billings on schedule by May 20.

The current report reflects revenue collected for customer billings issued at the beginning of January, February and March (December, January and February consumption). A chart showing both Emergency and Temporary Rate Collections is attached. Total revenue currently being collected is significantly less than that allowed under the temporary rates. Copies of the bulk wastewater treatment bills for this period were previously forwarded to PSC.

As you can see, Utility collections for Emergency Rates or the portion of the Temporary Rates intended to cover the cost of sewage treatment purchased from the City of New Port Richey are consistently short; currently the total cumulative deficit is \$47,062.99. This deficit can be attributed in part to the reduction to the bulk wastewater treatment expense made by PSC in establishing the Temporary Increase (part of Lindrick's current protest). In addition, the total amount collected attributable to the Temporary rates since the month of October is only \$214,252.49 - over \$70,067 less than the average monthly revenue increase of \$284,320 (5 mos. x \$56,864) allowed by the Order. While past due collections will reduce this shortfall somewhat, current rates are obviously insufficient to meet utility expenses.

- _____ AFA
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Please feel free to call if you have any questions on this report.

Very truly yours,



Joseph R. Borda, A.I.A., P.E.

IRB:dll

cc: Bob Nixon – Cronin, Jackson, Nixon & Wilson
Ken Hoffman, Esq. – Rutledge, Ecenia, Underwood, Purnell & Hoffman
Ralph Jaeger - PSC

Lindrick Service Corporation Revenue Reporting
Emergency and Temporary Rates

Service Month	(A) Total Revenue Collected	(B) City of NPR Bill	Revenue from Rate Increases				Variances	
			(C) Emerg. Rate Collection Amount	(D) Temp. Rate Collection Amount	(E) Temp. Rate Collec. Toward W/W Treatment (3)	(F) Total Add'l. Rev. From Temp. Rate Increase (D & E)	Diff. between Collections for Bulk W/W Treatment and City Bill (C-B) or (E-B)	Diff. between Total Add'l. Rev. Collected & Allowable Rev. Increase [F - \$56864 (4)]
June	\$ 98,932.32	\$ 39,697.04	\$ 37,099.62	-		-	(\$ 2,597.42)	-
July (2)	\$ 87,698.70	\$ 39,685.48	\$ 32,887.01	-		-	(\$ 6,798.47)	-
August (2)	\$ 97,395.76	\$ 38,338.74	\$ 36,523.41	-		-	(\$ 1,815.33)	-
Sept. *(2) (1)	\$100,015.89	\$ 41,659.35	\$ 37,505.96	-		-	(\$ 4,153.39)	-
October	\$101,557.99	\$ 41,407.92	-	\$ 9,750.71	\$ 38,178.76	\$ 47,929.47	(\$ 3,229.16)	(\$ 8,934.53)
November	\$112,205.23	\$ 39,302.46	-	\$11,755.35	\$ 42,076.96	\$ 53,832.31	\$ 2,774.50	(\$ 3,031.69)
December (5)	\$106,552.69	\$ 39,212.25	-	\$10,930.45	\$ 39,957.26	\$ 50,887.71	\$ 745.01	(\$ 5,976.29)
January (6)	\$ 86,119.89	\$ 41,519.88		\$ 7,879.35	\$ 32,294.96	\$ 40,174.31	(\$ 9,224.92)	(\$16,689.69)
February	\$ 47,307.95	\$ 40,504.29		\$ 3,688.21	\$ 17,740.48	\$ 21,428.69	(\$22,763.81)	(\$35,435.31)
Total	\$837,786.42	\$361,327.41	\$144,016.00	\$44,004.07	\$170,248.42	\$214,252.49	(\$47,062.99)	(\$70,067.51)

(1) Figures listed for September reflect credit of \$4,323.76 issued for May billing.

(2) Receipts aged 90 + days proportioned between July, August and September - \$1,212.46 in past dues for June and prior written off in December 1999.

(3) Portion of Temporary Rate allocated for payment of City of NPR bill for wastewater treatment (arbitrarily reduced from Emergency Rate and currently under protest).

(4) Average monthly increase in total revenue allowed by Temporary Increase.

(5) January bills were not issued until February 23 (3 weeks late) resulting in a prolonged collection period for December payments.

(6) Reflects collections from 2/23-3/8.

*Sept. Revenue should have been \$70,676.82 in report dated 11/18/99, and \$95,513.77 in report dated 12/22/99.