ORIGINAL

LAW OFFICES

ROSE, SUNDSTROM & BENTLEY, LLP

2548 Blairstone Pines Drive Tallahassee, Florida 32301

CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
DAVID F. CHESTER
F. MARSHALL DETERDING
JOHN R. JENKINS, P.A.
STEVEN T. MINDLIN, P.A.
DAREN L. SHIPPY
WILLIAM E. SUNDSTROM, P.A.
JUANE D. TREMOR, P.A.
JOHN L. WHARTON

ROBERT M. C. ROSE, OF COUNSEL WAYNE L. SCHIEFELBEIN, OF COUNSEL (850) 877-6555 FAX (850) 656-4029 www.rsbattorneys.com

REPLY TO ALTAMONTE SPRINGS

CENTRAL FLORIDA OFFICE 600 S. NORTH LAKE BLVD., SUITE 160 ALTAMONTE SPRINGS, FLORDA 32701 (407) 830-6331 FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.

VALERIE L. LORD, OF COUNSEL
(LICENSED IN TEXAS ONLY)

VIA HAND DELIVERY

November 24, 2003

Ms. Blanca Bayo Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

RE: O & S Water Company, Inc.'s Application to Amend Tariff

Docket No.: 030956-WU Our File No.: 35012.07

Dear Ms. Bayo:

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OPC

WWS

OTH

The Commission Staff has requested information from O & S Water Company, Inc. (hereinafter "O & S") in connection with its Application to Amend Tariff. O & S hereby submits the following information in response to such requests for information.

The enclosed copies of invoices show that the meters' increased cost is primarily due to the cost of the ERTs which will be affixed to each meter. The unit cost of each meter is \$82.50, including the labor cost for the installation. The unit cost of each ERT is \$96.50.

In the long run, these meters will be more cost effective and efficient from both the utility and the customers' standpoint for the following reasons:

- Standard meters are labor-intensive. They must be read manually and readings require access to each property where a meter is installed.
- Meters with ERTs do not require access to the property. They can be read remotely from the street by a utility employee with a hand-held device that records the readings. The readings are then downloaded into the utility's computer for bill processing.

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- The utility company will be able to read all meters in its service area time in four or five days (about 4,500 to 4,600 meters). This will enable the utility company to implement and maintain a monthly billing cycle, and result in savings in labor costs which will be passed on to the customer.
- ERTs operate by sending radio signals which are read with a hand-held device.
 The utility company has registered its radio frequency with the Federal
 Communications Commission, therefore, has the exclusive right to that frequency.
 The meters will be locked, and only the utility company will have access. This is a
 protective measure that will prevent tampering and theft. The added level of
 security will produce a savings in maintenance and trouble-shooting costs which will
 be passed onto the customer.
- In addition, the utility company will be able to produce quality readings for the local wastewater utilities, which revenues will help reduce even further the utility company's costs which are normally passed onto the customers.
- Lastly, the utility company researched various models of ERTs and chose the model
 with the best record for efficiency, reliability, and accuracy. The utility company
 proposes to use a model primarily employed by public utilities, which gives added
 assurances of reliability and accuracy.

Please contact me if you require any further information.

/ALERIE L. LORD

Of Counsel

MSF/Im Enclosures

cc: Jennifer Iwenjiora (Via regular mail w/enclosures)

Jack Olsen (Via facsimile w/enclosures)
Troy Rendell (Via facsimile w/enclosures)

M:\1 ALTAMONTE\0&S WATER CO\(07) APP INCREASE METER INSTALL FEES\PSC Clerk 05.ltr.wpd

METER READING SERVICES

17729 Currie Ford Drive Lutz, FL 33549 813-968-9277 Phone 813-968-9477 Fax

%96

INVOICE

O&S Utilities 1166 S Goodman Road Champions Gate, FL 33896 INVOICE # 030910-1 DATE 09/10/03

ITEM	DESCRIPTION	AMOUNT	
ERW-015 Freight	3-302 Itron 50W-1 ERTs 96 @ \$96.50	9,264.00 80.18	
	TOTAL DUE	\$ 9,344.18	

Make check payable to SWI SoftWare Installed 17729 Currie Ford Drive Lutz, Florida 33558

All taxes payable by the Utility

Metaring Systems

450 N. Gallatin Avenue P.O. Box 487 Uniontown, PA 15401 1-800- METER-IT 1-800-638-3748

4001115 BILL TO

C & S WATER COMPANY 301 EAST DAK ST RISSIMMES TE JAYAL

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