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Public Service Commission

September 15, 2008

Mr. Herbert Hein, President
East Marion Sanitary Systems Inc.
G4225 Miller Road #190
Flint, Michigan 48507

Re: Docket No. 080562-SU; Request for approval of amendment to connection/transfer sheets, increase in returned check charge, amendment of miscellaneous service charges, increase in meter installation charges, and imposition of new tap-in fee, in Marion County, by East Marion Sanitary Systems Inc.

Dear Mr. Hein:

Staff has reviewed the above-reference application filed on behalf of East Marion Sanitary Systems Inc (East Marion). Listed below are the deficiencies and the additional information needed to complete staff's review of the application.

Deficiencies and Additional Information

1. Water Tariff and Wastewater Tariff - Revised Sheet No. 19.0 should be First Revised Sheet No. 19.0
Cancels Original Sheet No. 19.0
2. The address listed on the top of the sheet is the local address. When you installed the irrigation meters previously you had the customers send the application to your Michigan address. Is the address listed on top correct?
3. Please explain why you are requiring the applicant's social security number.
4. Please explain why you are requiring the applicant's Drivers License number.
5. The statement "Bills are considered late 20 days after the billing date and must be paid no later than the 20th of every month." is not consistent with Rule 25-30.335(4), Florida Administrative Code, which states that a utility may not consider a customer delinquent in paying his or her bill until the 21st day after the utility has mailed or presented the bill for payment. If the bills are not mailed on the last day of the each month, this could affect the timing as to when the bills need to be paid. Please revise to be consistent with the Rule.
6. The statement "Customers are notified 5 days before disconnection on delinquent accounts, and 48 hours before disconnection on returned checks." is not consistent with the Rule 25-30.320(2)(g), F.A.C., which states that for nonpayment of bills, including nonpayment of municipal sewer service under circumstances specifically provided in Section 159.18(2), F.S., or

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noncompliance with the utility's rules and regulations in connection with the same or a different type or a different class of utility service furnished to the same customer at the same premises by the same or affiliated utility only after there has been a diligent attempt to have the customer comply, including at least 5 working days' written notice to the customers. Such notice shall be separate and apart from any bill for service. For purposes of this subsection, "working day" means any day on which the utility's office is open and the U.S. Mail is delivered. A utility shall not, however, refuse or discontinue service for nonpayment of a dishonored check service charge imposed by the utility. Please revise to be consistent with the Rule.

7. The statement "There is a \$25.00 charge for returned checks, plus any additional charges assessed to us by the bank (cash, cashiers check or money order only on returned checks)." Please provide a copy of the bank charge of \$25.00 for returned checks. Please explain what additional charges are assessed by the bank and provide copies of these charges. Typically the tariff does not allow the charges to fluctuate and the exact charge needs to be identified in the tariff.

8. East Marion's monthly rates are listed on this sheet. However, the monthly rates change with an index, pass through or rate case. This would then require Sheet No. 19.0 to be updated constantly. We do not believe that the monthly rates should be listed on this sheet. A reference to the appropriate tariff sheet would be more appropriate.

9. The list of charges is not consistent with language in your tariff. A new customer, who purchases an existing home would only pay an Initial Connection Fee and the Deposit. We recommend the following:

Initial Connection Fee:

Deposit:

Meter Installation Fee:

Water Main Extension Charge:

Water Plant Capacity Charge:

Wastewater Main Extension Charge:

Wastewater Plant Capacity Charge:

Irrigation Service Installation Charge:

Irrigation Meter Installation Fee:

Total: _____

Please revise accordingly.

10. Tariff Sheet No. 17(A) should be Original Sheet No. 17.0(A)

The title should be: IRRIGATION SERVICE LINE INSTATLLATION CHARGES

The short, long and extra long should have service line after these words, because these are service lines.

The installation for short, long and extra long are for double service. Do you intend to collect the full amount of the cost of the double service from the first customer that connects and then refund a portion of that amount to the customer when the second connection is made to the same service line? Should a refundable advance be drafted, which expires in 7 years, so the

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customer would only pay for their share of the service? Also, we typically use the lowest price bid. Why do you have the average cost?

11. Water and Wastewater First Revised Sheet No. 16.0

Typically the Initial Connection Fee, Normal Reconnection Fee and Violation Reconnection Fee are the same price. Why is the Violation Reconnection Fee more? In addition, why is the Premise Visit Fee more than the other fees? The Premise Visit Fee should be lower, since the service is not disconnected and this service takes less time to deal with.

The staff requests that a response be received by **October 8, 2008**. Please file the requested information in this docket and address the response to the Office of the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850.

If you have any questions, please contact me at (850) 413-6999.

Sincerely,



Richard Redemann, PE
Bureau of Certification, Economics & Tariffs

C:/msword/080562a.doc

cc: Office of the Commission Clerk
Economic Regulation (Bulecza-Banks, Fletcher, Daniel, Hudson)
Office of the General Counsel (Bennett)