

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: 03/05/2012
TO: Ann Cole
FROM: Jessica Miller
RE: Addition to Docket No. 110303

RECEIVED - FPSC
12 MAR - 6 AM 9:37
COMMISSION
CLERK

Please enter the attached document from Ken Dawson into docket 110303. The company sent it directly to my email address rather than filing it with the clerk's office.

DOCUMENT NUMBER - DATE

01304 MAR-6 2012

FPSC-COMMISSION CLERK

Jessica Miller

From: Ken Dawson [kdawson@icsolutions.com]
Sent: Monday, February 27, 2012 5:41 PM
To: Jessica Miller
Cc: Laura King
Subject: Industry Survey - docket No. 110303-OT (Consumer Complaint Rule)
Attachments: FL Data Request - consumer complaints.pdf

Ms. Miller and/or King,

Please see responses for the above captioned matter embedded in the survey questionnaire, attached.

Regards,

Ken Dawson,

Director Contracts & Regulatory

210-581-8104

3/5/2012

DOCUMENT NUMBER-DATE

01304 MAR-6 2012

FPSC-COMMISSION CLERK

Rule 25-22.032, F.A.C. - Survey Questions

The following survey questions apply to **Rule 25-22.032, F.A.C, Consumer Complaints**. For responding to these questions, please refer to Subsection 120.541(2), F.S., and Subparagraph 120.745(1)(b)2, F.S. "Transactional costs" are defined in Subparagraph 120.541(2)(d), F.S., as:

...direct costs that are readily ascertainable based upon standard business practices, including filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring and reporting, and any other costs necessary to comply with the rule.

The Company's response data to these survey questions should be provided for the entire rule, unless the response data is available by rule section, in which case we request the response data be provided by rule section. Please present data in annualized format, if possible, and all cost or benefit dollar estimates should be stated in nominal terms.

1. What are the Company's estimated transactional costs resulting from the Company's compliance with Rule 25-22.032, F.A.C., for the five year period beginning July 1, 2011?
 - a. For the five year period beginning July 1, 2011, which requirements of Rule 25-22.032, F.A.C., if any, would be performed by the Company assuming the rule were not in effect? Please explain.

Section 3 – The Company has no mechanism to disconnect service.

Section 6(a) – The Company offers a single point of contact for complaints and, in any event, would never request Staff to redirect a complaint within the Company's own organization.

Section 6(b) – Standard operating procedure.

Section 6(c) – Standard operating procedure.

Section 10(a) – Standard operating procedure.

- b. For each of the requirements identified in 1a., what are the estimated transactional costs associated with such requirements for the five year period beginning July 1, 2011?

Company received only two consumer complaints through the FL PSC in all of 2010 and just one such complaint in 2011. Since the requirements identified in 1a., to the extent operational, are Company's standard procedure, the estimated transactional cost is negligible.

- c. What are your actual transactional costs resulting from your Company's compliance with Rule 25-22.032, F.A.C., for the period July 1, 2011 to December 31, 2011?

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The Company received no consumer complaints through the FL PSC during the stated period and, therefore, compliance costs were negligible.

2. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits, on small businesses (as defined by Section 288.703, F.S.) located in the Company's service territory, resulting from the implementation of 25-22.032, F.A.C., for the five year period beginning July 1, 2011?

As long as Sections 4 and 5 remain optional and a small business does not trigger the provisions of Sections 7 or 8, the impact is negligible. Adopting the provisions of Sections 4(a) or 4(b) would be burdensome for any small business that, like the Company, receives very few complaints since the overhead of maintaining the technical knowledge and operational readiness of a FL-specific complaint reporting mechanism far outweighs any benefit that it provides.

3. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits, on small counties and small cities (as defined in Section 120.52, F.S.) located in the Company's service territory, resulting from the implementation of 25-22.032, F.A.C., for the five year period beginning July 1, 2011?

No material impact estimated.

4. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits, on entities located in the Company's service territory other than those specifically identified in Questions 2 and 3, resulting from the implementation of 25-22.032, F.A.C., for the five year period beginning July 1, 2011?

No material impact estimated.

5. What does the Company believe is the expected impact of Rule 25-22.032, F.A.C., on economic growth, private sector job creation or employment, and private sector investment for the five year period beginning July 1, 2011 in the company's service territory?

No material impact estimated.

6. What does the Company believe is the expected impact of Rule 25-22.032, F.A.C., on business competitiveness, including the ability of persons doing business in the Company's service territory to compete with persons doing business in states other than Florida or other domestic markets, productivity, and innovation, for the five year period beginning July 1, 2011?

No material impact estimated.

7. What does the Company believe are the benefits of Rule 25-22.032, F.A.C.?

The Company sees no benefits to the subject rule. From the Company's perspective, consumer complaints are minimal and the efficient and timely handling of minimal complaints is not aided by the implementation of a complex and precise rule. Moreover, the amounts and matters at issue with respect to consumer complaints are typically petty so the formal processes imposed by Sections 7 thru 9 of the Rule are excessive and burdensome.

8. Assuming Rule 25-22.032, F.A.C., is unchanged over the next five years, do you expect your Company's costs to comply with the rule going forward, to increase, decrease, or remain the same. Please explain your response.

No material change is expected over the next five years.

9. Does your Company currently have procedures/personnel in place to address complaints received directly from your consumers?

Yes.

10. If Rule 25-22.032, F.A.C., were repealed would your Company continue to accept and address consumer complaints? Please explain your response.

Yes. It is prudent business practice to provide prompt and thorough resolution of any customer complaints since, in the Company's view, the detrimental effect of not doing so far outweighs the cost.

11. Do you believe the costs, if any, incurred by your Company to comply with the records retention, reporting, and auditing requirements of Rule 25-22.032(10), F.A.C., for the five year period beginning July 1, 2011, if any, have an adverse impact on your Company? If so, please provide any and all data which supports your response.

No.

12. Of the transactional costs estimated to be associated with compliance with 25-22.032, F.A.C., what percentage is spent on the following items:

a. Staffing	90%
b. Document storage and retention	5%
c. Postage and shipping	2%
d. Communications (dedicated phone lines, emails or faxes)	2%
e. Other	1%

13. How many staff members at your Company are currently responsible for handling consumer complaints associated with 25-22.032, F.A.C.? 1
- a. Are they full time employees? Yes.
- b. Do these employees have responsibilities apart from handling complaints? Yes.

14. Section 3 of Rule 25-22.032, F.A.C., states that a customer's service shall not be discontinued during the complaint resolution process. Have there been instances within 2010 through 2011, when your Company was uncompensated for service provided as a result of a billing dispute?
Yes.
- a. In the majority of these cases, is the Company able to recoup these costs after the complaint is resolved? **No.**
15. Does your Company subscribe to the Florida Public Service Commission's telephone "transfer-connect" or email transfer system? **No.**
- a. What are the annual costs associated with subscription to these systems, including costs due to additional requirements for staffing, operating hours and document retention? **n/a**
16. Approximately what percentage of complaints are resolved prior to reaching the Informal Conference stage described in section 8 of Rule 25-22.032, F.A.C.? **100%**
- a. How many times has your Company had a consumer complaint that has escalated all the way to the informal conference stage in the previous two years? **None.**
- b. How many times within 2010 through 2011, has your Company had a complaint process that was escalated beyond the informal conference stage? **None.**
17. Approximately what percentage of complaints from your customers filed with the Florida Public Service Commission are successfully resolved within 30 days? **100%**
18. How has Rule 25-22.032, F.A.C., affected the way your Company processes complaints?

No material effect.

- a. Has the rule had a positive, negative, or neutral impact on your Company?
- b. How has the rule affected the Company's cost of handling complaints?

