

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. UNDOCKETED

INITIATION OF RULEMAKING TO
AMEND RULES 25-30.335,
25-30.350, F.A.C., AND TO
ADOPT RULE 25-30.351, F.A.C.,
RELATING TO BILLING FOR WATER
AND WASTEWATER UTILITIES.

PROCEEDINGS: WORKSHOP

TAKEN AT THE
INSTANCE OF: The Staff of the Florida
Public Service Commission

DATE: Thursday, May 10, 2012

TIME: Commenced at 9:30 a.m.
Concluded at 10:28 a.m.

PLACE: Betty Easley Conference Center
Hearing Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, RPR, CRR
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DOCUMENT NUMBER-DATE
03303 MAY 24 2012
FPSC-COMMISSION CLERK

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IN APPEARANCES:
FOR OFFICE OF PUBLIC COUNSEL:
PATRICIA CHRISTENSEN, ESQUIRE
ERIK SAYLER, ESQUIRE
DENISE VANDIVER

FOR AQUA UTILITIES:
TROY RENDELL

FOR THE FPSC:
CINDY MILLER, ESQUIRE
CHERYL BULECZA-BANKS
BILL McNULTY
CONNIE KUMMER

P R O C E E D I N G S

1
2 **MS. MILLER:** Let's get started. Pursuant to
3 notice issued, this date, time, and place were set for a
4 rule development workshop on Rules 25-30.335, 25-30.350,
5 and 25-30.351 relating to billing for water and
6 wastewater utilities.

7 I'm Cindy Miller with the Office of General
8 Counsel, and we have here Bill McNulty, Connie Kummer,
9 and Cheryl Bulecza-Banks with technical staff. We are
10 going to have Connie do a brief overview of the rule
11 revisions and then we're going to discuss alternative
12 suggestions.

13 We are at a very early stage in this
14 rulemaking. We'll be discussing the next steps at the
15 conclusion of this workshop, but I did want to emphasize
16 that.

17 Connie.

18 **MS. KUMMER:** Good morning. The rule changes
19 came out of required rule review by the Legislature.
20 These are what staff view as simply cleanup changes in
21 order to improve the application and the uniformity of
22 rules. This workshop is to address the modification of
23 two current rules and the establishment of one new rule
24 with regard to water and wastewater companies.

25 For the first rule, currently there's no

1 limitation on the number of times a water utility may
2 estimate usage for the purposes of rendering monthly
3 bills. The rule simply says if the bill is estimated,
4 it must be designated as an estimated bill. The
5 electric and gas rules, Chapter 25-6 and Chapter 25-7,
6 *Florida Administrative Code*, both require that the
7 utility contact the customer to remedy the reason the
8 reader -- the meter cannot be read and to require that
9 an actual meter reader be, meter reading be taken at
10 least every six months.

11 The proposed change to Rule 30.335 inserts
12 these requirements in the water rules for consistency
13 across industries. Due to a scrivener's error, the
14 last, the last sentence of paragraph two of this rule
15 shows that it is an addition, it is not that it's the
16 current language in the existing rule.

17 Also, the language in paragraph eight of
18 Rule 30.335 is being removed from that rule and
19 established as a separate rule simply for clarity.
20 There is no change to the language. It is simply
21 becoming a new Rule 30.351.

22 Rule 30.350 currently addresses only instances
23 where a utility may backbill a customer where it has
24 underbilled a customer due to the utility's error. A
25 second paragraph has been added to that rule to address

1 overbillings due to company errors in a similar fashion
2 to underbillings. This simply provides symmetry to the
3 rule. Just to -- again, on a clerical note, the draft
4 rule title is actually reversed. The current rule title
5 is "Backbilling" and the new rule title would be
6 "Underbillings and Overbillings for Water and Wastewater
7 Service." And now we'd be happy to take any
8 suggestions, questions, comments from participants.

9 **MS. CHRISTENSEN:** Patty Christensen with the
10 Office of Public Counsel. I had provided to everyone,
11 and there are copies in the back, a strike and type
12 version of the Office of Public Counsel's suggested
13 language changes based on the proposed additional
14 language from staff and addressing some of the concerns
15 that we had with some of the proposed language.

16 Unfortunately it was not done in color, so it
17 may be a little bit more difficult than I was hoping to
18 go through. But I think for ease of clarity, maybe we
19 should go rule by rule and I can discuss the language
20 changes that we propose that are different from what
21 staff is proposing as the rule changes and give some
22 explanation of why we went with our proposed language
23 change.

24 If you look at 25-30.335, the customer billing
25 rule, the main language suggested changes that we had

1 have to do with paragraph two, which is where the
2 majority of the language changes that staff was
3 proposing occur.

4 Now I think we ran into some of the similar
5 difficulty that staff did. In the old paragraph two
6 there's language in there that for some reason when you
7 do type and strike it just won't let you untype and
8 strike it. So -- but let me go sentence by sentence in
9 paragraph two.

10 On paragraph two, the first sentence is the
11 same as what staff's language has proposed.

12 Paragraph -- or the second sentence is similar; however,
13 we add the caveat, "and the word 'estimated' shall be
14 prominently displayed on the bill." That language comes
15 from the electric bill, and our office believes that it
16 should be clearly marked on the bill that this is an
17 estimated bill. I think for most of the utilities
18 that's probably something that they should already be
19 doing, but we want to make sure that it's clear to the
20 customers that the bill is estimated.

21 Now the next paragraph is where substantial
22 language changes -- we would recommend significant
23 differences from what staff was proposing.

24 The next sentence, the third, "An estimated
25 bill shall not be provided to a customer for more than

1 two consecutive months in a 12-month period unless the
2 utility provides notice to the customer and to the
3 Commission stating with specificity sufficient cause for
4 providing the estimated bill." We realize that this
5 differs from what happens in the electric and gas
6 industry in that we're putting a requirement that they
7 do not estimate the bills more than two months in a row.

8 We can have a discussion, but it's probably
9 not for this forum whether or not the electric and gas
10 bills should be allowed to estimate, you know, basically
11 five months with the bills and only have two months of
12 actual bills in any given year and whether that's a good
13 policy decision, but we're not revisiting those rules at
14 this time. Since we're taking a fresh look at the water
15 bills, it's the Office of Public Counsel's position that
16 if you have a meter on the property and it's taking an
17 actual reading and we're paying for that as well as
18 actual meter readers, customers deserve to get actual
19 bills in 12 months out of the year.

20 And we realize that there may be exceptional
21 circumstances that require an estimated bill in any
22 given month: You can't get back to the backyard to look
23 at the meter, somebody has parked their car on it, or
24 there's, there's some physical problem you can't get to
25 the meter in a single month.

1 If this starts to happen in consecutive
2 months, what our language proposes is that the utility,
3 it puts the burden on the utility to correct the
4 problems that are within their control. And we saw
5 quite a bit of this in the Aqua case that we had a huge
6 amount of estimated bills that were causing large
7 amounts of backbilling problems for the customer. And,
8 you know, we think that there really is no reason that
9 there should not be actual billing. I mean, Aqua has
10 radio frequency meters. They should have programs in
11 place to identify when those meters are not reading.
12 And the physical blocks to being able to read the meters
13 should not be as significant of a problem for somebody
14 with the frequency meters like, like Aqua.

15 The other utilities where you have a physical
16 meter reading that you have to take, we understand there
17 should be -- there may be occasional, but it shouldn't
18 be a consecutive practice of the utility. They should
19 be providing the actual meter reading and that's the
20 reason for the language.

21 And the reason for the notification is so
22 that, one, the customer can know what's causing the
23 problem. If they don't know that, you know, the meter
24 reader can't get into the backyard, they can't correct
25 the problems that they're causing. And, two, it would

1 facilitate tracking of what are causing the problems if
2 there really are any significant trends with being able
3 to get actual meter readings. Because I think we can
4 all agree that actual meter reading is the goal and that
5 should be the standard, and any deviation from that
6 should be a one-off occurrence or a rare occurrence or
7 some extraordinary circumstances, not a regular practice
8 of the utility. And that's what we're trying to capture
9 here and not create some unforeseen circumstances.

10 The second or the fourth sentence -- well,
11 yeah. The fourth sentence, I think we already talked
12 about the estimated bill shall not be provided to the
13 customer more than two month -- two consecutive months
14 in a 12-month period unless the utility provides notice
15 to the customer and the Commission stating with
16 specificity sufficient cause for providing the estimated
17 bill. That also requires that they state what their
18 sufficient cause is, which is language that was proposed
19 by the staff.

20 On to the fourth sentence, "In the notice to a
21 customer regarding an estimated bill, a utility contact
22 shall be provided so that the customer may request an
23 actual meter reading." My recollection is that's
24 exactly -- if not exactly the same language that staff
25 is proposing, substantially similar to the language that

1 staff was proposing.

2 The fifth sentence, "The utility is also
3 obligated to timely correct the problems causing the
4 need to estimate the bills that are within the utility's
5 control and service obligation," was what I was
6 discussing a few minutes ago that, you know, we
7 recognize there are some circumstances that are created
8 by the customer and that they should have -- that the
9 customers need to get notice and they need to correct
10 those problems. But there are things that are within
11 the company's control that need to be corrected. If
12 it's a billing issue with their billing company, they
13 need to be on top of that and know why they're not
14 getting the actuals timely reported in their billing and
15 getting those to the customers.

16 So there's things that we -- you know, and if
17 for whatever reason their meter readers aren't going out
18 in a timely fashion, that needs to be addressed by the
19 company. These are all things the customers are paying
20 for and the service that the customers expect and
21 deserve to have provided as an actual accurate meter
22 reading.

23 Finally, the last sentence is, "However, in no
24 event shall a utility provide more than four" -- and in
25 this case I would actually recommend removing the

1 "consecutive" -- "four estimated bills in a 12-month
2 period."

3 As we said before, the goal and the standard
4 is actual usage billing, and we should be and expect
5 that the utilities are able to do that 12 months out of
6 the year. I think four missed occasions for one-off
7 circumstances is probably, from our point of view, even
8 a little generous. But still, you know, there are times
9 where we can see that you may have circumstances that
10 are created by the customer on a monthly basis. If you
11 have those circumstances two months in a, in a row and
12 you're having to generate a notice, as the, as we would
13 envision this rule working, the company has now
14 identified that there's a problem that they need to
15 correct and they've provided notice to the customer that
16 they need to correct whatever they have that's causing
17 the problem. So in our view within two months that
18 should be corrected and they should be able to get
19 accurate meter readings.

20 So the way we're looking at it, our standard
21 is 12 months actual billing. We recognize that there
22 may be one-off situations where that's not doable on an
23 individual customer basis and so you would go forward.
24 So those are the substantial rule changes to that rule.

25 **MS. MILLER:** Let's stop with that, that rule.

1 **MS. CHRISTENSEN:** Certainly.

2 **MS. MILLER:** And see if we have any questions
3 or comments from others.

4 **MS. KUMMER:** Patty, I have a couple of --
5 actually they're more implementation issues thinking
6 down the road if this language were adopted.

7 **MS. CHRISTENSEN:** Sure. Uh-huh.

8 **MS. KUMMER:** And if you haven't thought about
9 them, perhaps you could address them in your written
10 comments.

11 **MS. CHRISTENSEN:** Okay.

12 **MS. KUMMER:** On line nine or actually line
13 ten of your revised, of your suggested language, you say
14 the utility should provide a notice. Have you given any
15 thought to time frames or the method of notification,
16 how that would be accomplished?

17 **MS. CHRISTENSEN:** Well, we have not put in a
18 specific time frame. I would expect that the second
19 time that they go out and find that they can't do an
20 actual reading, that they would provide the notice
21 within at least 30 days before the next billing cycle
22 went out.

23 If there -- you know, and hopefully these
24 estimated bills are the exception and not the rule, so
25 this should not be creating or generating significant

1 additional postage expenses for the company. I mean, if
2 it is, then they've got a much larger problem than just
3 the one-off circumstances. So I would believe that they
4 would need to provide the notice within the next 30 days
5 before the next customer billing.

6 Now that's not to say that the notice to the
7 customer necessarily needs to be a written formal
8 letter. If they have -- you know, they could establish
9 e-mail notification to a customer if the customer has an
10 e-mail account. I think there's, there's more creative
11 ways in this day and age also to provide notice than the
12 traditional necessarily mail notification. I think they
13 would have to end up providing written notification to
14 the Commission and file it with the clerk, but we do
15 that by e-mail as well. So if, you know, they set up an
16 e-mail program with their customers, 30 days is
17 certainly longer than would be necessary.

18 Now they may have to have procedures in place
19 within the company so that they can create a
20 notification within the, within the company that, you
21 know, this is the second estimated bill, a notification
22 needs to go to the customer, we need to do an
23 investigation. But 30 days, I would think, should be
24 reasonable time for them to be able to go out,
25 investigate what the problem is, and at least put that

1 in written form, you know. So while we haven't sat down
2 and discussed it in detail, I would --

3 **MS. KUMMER:** That's why I said, perhaps if you
4 could address it in more detail in your comments, that
5 would be helpful.

6 **MS. CHRISTENSEN:** Yeah. And I will put it
7 down as to you need how long for the notification.

8 **MS. KUMMER:** Yeah. I would think that kind of
9 language would be in the rule. If you notice, I'm sure
10 you're aware in the disconnect rule there is a specific
11 time frame for getting that notice out, and I would
12 think that something similar would be, would be
13 necessary in this rule if we're going to require a
14 notice. I just, I think JAPC would require that.

15 **MS. CHRISTENSEN:** And that's fine and we'd
16 have to give it some, some consideration because I think
17 there's other time frames within here and how that might
18 impact. If, you know, if we have -- if staff is willing
19 to entertain the no more than four estimated bills, you
20 know, in a year, and that could be consecutive or it
21 could be, you know, one-off situations. We might have
22 to think about how that timing wise would play out and
23 whether you'd have to do -- right now we think four is
24 probably a good number. But if you're going to have to
25 give them 30 days to notify the company or the customer

1 and it's the customer's problem, maybe you would have
2 to, as a practical matter, go to five months, no more
3 than five.

4 **MS. KUMMER:** And that's why I was saying it
5 was implementation issues down the road.

6 **MS. CHRISTENSEN:** Yeah. Yeah. And I do
7 realize that. I mean, we'd have to think that out,
8 whether or not, you know, maybe no more than four or,
9 you know -- I would think in four months you should be
10 able to correct the problem if you've had this going on.
11 And that's, you know, within two months you've got the
12 notification, you're fixing your problem. And if
13 there's another -- if it's a customer's problem, you
14 know, that's two months to have them, you know, fix that
15 problem. Now there may be an exception where if the
16 customer is creating a situation that's untenable and
17 maybe that is something that needs to be addressed in
18 the rule that if the customer is creating the situation
19 that's causing the estimated bill, that it's somehow
20 addressed in the bill. But we have not --

21 **MS. KUMMER:** Explored that option.

22 **MS. CHRISTENSEN:** -- tried or attempted to
23 create language for that, you know.

24 **MS. KUMMER:** One would expect it to be rare,
25 but --

1 **MS. CHRISTENSEN:** I would expect that to be
2 significantly rare where it's, where the customer
3 creates the issue and it's not the one-off type of
4 monthly situation. You know, if the meter is in the
5 back and the customer has a dog and they can't get to
6 the meter because there's a dog, well, they're going to
7 have to have a conversation with that customer. I mean,
8 that should, that should not be a situation that
9 continually keeps occurring either.

10 **MS. BULECZA-BANKS:** I can also -- I mean, and
11 I agree with you wholeheartedly that I think it should
12 be rare, but I can see situations, especially for
13 seasonal customers who are gone, if all of the sudden
14 you see they're hospitalized, they're up north
15 somewhere, they're hospitalized, they've got it all
16 locked in the back, I can't have a utility's meter
17 reader be trespassing on locked property.

18 So I think I agree the situations are rare,
19 but I think there are various situations where that
20 could happen, especially because of the volume of
21 seasonality customers. So I think that, you know, if
22 you could consider some of the language because in this
23 it's absolute, "in no event," but I think that there has
24 to be a caveat in there somehow to accommodate the
25 potential if it is caused by something out of control of

1 the utility.

2 **MS. CHRISTENSEN:** And we're certainly open to
3 addressing that in the comments, and we realize, you
4 know -- we want this to be practical and to be usable.
5 We're not trying to create significantly undue burden on
6 the customers, where if there is a situation that is
7 truly beyond their control and they've tried to correct
8 it with the customer and they just can't because the
9 customer is uncooperative, that the, that the utility
10 can't render bills to them. I mean, that's not the
11 situation that we're looking to do.

12 But, as you said, those should be rare and
13 exceptional. And, and we can think about what kind of
14 language might be able to address that so that it
15 captures the spirit that it should be rare and an
16 exceptional situation, but not put the utility in an
17 untenable position or, frankly, cause -- necessarily
18 require a rule waiver on a particular customer, you
19 know. We do know -- I mean, that is always an option,
20 they do have the right to request a rule variation. But
21 that may not be necessary if we can think about some
22 language that we think is sufficiently tight that would
23 create, that would make it a real exception as opposed
24 to this is our common practice. And I think that's some
25 of the things that we're trying to avoid is we don't

1 want this to be company practice of estimated bills, you
2 know. And we do recognize there could be unusual
3 circumstances. Florida does have those seasonal
4 customers.

5 **MS. BULECZA-BANKS:** One other comment. In the
6 line where they provide notice, what is the basis to
7 providing that notice to the Commission? Because I'm
8 not sure how much volume I'm going to get. I mean, I'm
9 assuming it's not -- but, I mean, for us to be able to
10 log this and -- is there a reason for that? I mean, we
11 can always request it, you know, if we have a situation.

12 **MS. CHRISTENSEN:** Yes. And our, our reasoning
13 behind requiring that the Commission get the notice is
14 truly simple. Hopefully this is a very rare exception
15 where people are getting estimated bills more than in an
16 individual month because there's some particular
17 circumstances or -- but if it becomes two months in a
18 row, we want to be able to identify those trends. And
19 we also think the Commission should be aware of trends
20 where estimating is going on and what the root cause of
21 that is so that it can be identified and addressed.

22 Like I said, the standard for billing is
23 actual usage, monthly bill. I think that, we can all
24 agree, should be the standard. If there's trends going
25 on within a particular company or just industry wide

1 that for some reason, you know, this problem causes all
2 of them to have estimated billing, then that may be --
3 one, we need to be aware of it. And, two, then we, you
4 know, we may, from the OPC's position, want to review
5 that information and be able to request potentially
6 other rulemaking.

7 I mean, if there's a significant trend and
8 it's not -- or even if it's just a particular company
9 that's having a particular problem, we think that
10 that -- you need some way of being able to track it and
11 then being able to address it. And, you know, it's --
12 from our experience, this has come up with several of
13 the utilities where you have a number of estimated bills
14 that is and has been an issue.

15 So that was, that's our thought process behind
16 the notification going to the Commission and being
17 placed in the 00 docket file so that we could go in and
18 track it.

19 **MS. KUMMER:** That, that was going to be my
20 next question is where would it be filed? And would
21 there be -- what would you expect the Commission to do
22 with it other than it being filed in the undocketed
23 file?

24 **MS. CHRISTENSEN:** I would expect that the
25 Commission would need to do essentially nothing other

1 than reviewing it as it comes in. And then if a trend
2 is noticed, then you have the data already collected to
3 be able to do something with it. That was our thought
4 process. If you don't have the data and you don't have
5 the information, you won't know if there's a problem and
6 you won't have the information to do something about it,
7 and you won't know enough, frankly, to request the
8 information because you won't know that there's a
9 problem.

10 Now could you tweak it to a quarterly report
11 that the, that the company files on how many
12 notifications they send out? I mean, that's a possible
13 alternative to, for the Commission. If you don't want
14 to be getting each individual notice but if you want a
15 summary report which says, you know, every quarter or,
16 you know, even every six months these are the notices
17 that we sent out, here's a list of the causes that we
18 sent it out, and how many times we did it for two
19 consecutive months in a row. See, that's what we're
20 trying to capture is where there's trends and where
21 there may be problems.

22 So, I mean, we might be able to -- and I can
23 talk with my people to talk about proposed language that
24 may be -- if the Commission is concerned about getting
25 an astronomical amount of notifications individually in

1 there. I think from an administrative point, from the
2 company's standpoint I would think that just, you know,
3 creating one notice, sending it to the customer, and
4 then filing one in the 00 docket from their standpoint
5 is probably the easiest administratively for them to do.

6 **MS. KUMMER:** Being, being the practical soul
7 that I am, I'm thinking process. And once it comes into
8 the Commission, we need to make sure that it gets to
9 someone who's going to look at it and/or tally that, and
10 we need to have that process set up before we would
11 require, you know, this kind of noticing. Because just
12 because it goes in the undocketed file doesn't
13 necessarily mean that it's going to go to someone or
14 even the same person every time necessarily without some
15 sort of process set up internally. That is an internal
16 measure and that's why I asked if you expected the
17 Commission to take any ongoing action upon review.
18 Would you expect the Commission to tally these and say,
19 oops, this looks like too many, we need to do something,
20 or would it depend solely on an outside party raising
21 the issue?

22 **MS. CHRISTENSEN:** No. I think the Commission
23 itself has an obligation to monitor the billing and make
24 sure that the, that the companies are billing timely and
25 adequately and accurately. I mean, I think that's a

1 function for the Commission.

2 Staff, how you would set up internally and how
3 often you would do that I think is purely within the
4 Commission's own discretion, whether you would want to
5 do that review on a quarterly basis, six-month basis. I
6 think probably if you get too much out of a six-month
7 basis, you may start losing if you're picking up trends.
8 And then -- but the other thing is the Commission staff,
9 and we could look at proposing language that would shift
10 that burden to the companies to create the quarterly
11 report and submit them to the Commission already
12 fashioned, and then that would just require that you
13 actually review the quarterly reports.

14 We, of course, will do our part to be looking
15 at that information, and we would also have to create
16 internal procedures to make sure that somebody is taking
17 that time to look at it to see if they can spot a trend.

18 You know, but we have enough of the water
19 companies that come, that are coming in also fairly
20 regularly for rate cases that that's something that
21 always has been an issue or has come up as an issue in
22 rate cases, and that's what we're trying also to keep
23 track of is to have that information as we go along and
24 not try to create that database at the end.

25 And, like I said, I think it's an issue that's

1 important enough to the customers that they need to have
2 that timely and accurate information to be able to
3 control their usage. I mean, you know, we have noticed,
4 you know, when, when water rates were at \$27 for
5 thousands of gallons, this was not an issue I think for
6 the average customer. As those water bills and the cost
7 of producing that water has increased significantly over
8 the last five to ten years, those water bills are no
9 longer in the 27 thousand -- \$27 range. We saw, you
10 know, overbilling and underbilling and bills that were
11 in the thousands of dollars, at least the hundreds of
12 dollars. And for a lot of our consumers in Florida who
13 are on very tight budgets, having that accurate billing
14 is paramount to them being able to control their monthly
15 financing. And we don't want to create a situation
16 where a basic necessity becomes a choice between, you
17 know, water or medicine or, or water and food.

18 I mean, that's -- and part of that equation
19 from our office's standpoint is having timely, accurate
20 bills that helps the customer identify where there's
21 leakage, that helps the customer identify if they're
22 increasing their usage for some reason and allows them
23 to take conservation methods and measures on their own.
24 So that's why we're, you know, insistent that, that it
25 be tightly controlled and that the Commission take more

1 proactive measures on monitoring what's going on with
2 the billing, because it's more imperative now than it
3 has been in the past.

4 **MS. MILLER:** Thank you. Just to kind of bring
5 it back here a bit, we received these draft revisions
6 this morning.

7 **MS. CHRISTENSEN:** Yes.

8 **MS. MILLER:** And so of course we're just
9 reviewing them.

10 **MS. CHRISTENSEN:** Of course.

11 **MS. MILLER:** And we'll have a lot more to
12 think about on them. But are there any other comments?

13 **MR. RENDELL:** Sure. Troy Rendell with Aqua
14 Utilities. Good morning.

15 I did want to state for the record that, since
16 OPC brought this up, that I don't believe the Commission
17 made any finding in its final order related to any
18 billing issues or estimated bills for Aqua specifically.
19 But I'm here today to talk about the proposed changes to
20 the, to the rule. And I did just receive these this
21 morning and, you know, I think we share the same goal
22 with OPC and the Commission, to provide accurate and
23 timely bills. That's our goal. And I also agree with,
24 with OPC that estimated bills are very rare. They're
25 very small when they do occur.

1 With that being said, we'll look at these
2 comments and provide any written comments to it. It may
3 be as simple as providing a billing message as part of
4 the notice like we do for a long bill, and that could be
5 the customer notice when they get, you know, more than
6 two consecutive months' bills. But we'll look at the
7 comments to the specific rule, and I'll reserve the
8 right to comment on other proposed revisions to the
9 other rules.

10 **MS. CHRISTENSEN:** And we'll take it into
11 consideration. I just want to make sure that I have all
12 of the areas of staff's concern that you would like us
13 to address in written comments from OPC based on our
14 proposed language.

15 And the first item would be how long for the
16 notification and the time frame that would be required,
17 and then we need to consider impacts as it would play
18 out with the rest of the rule.

19 And then the second item was you wanted us to
20 consider crafting or possibly proposing from our
21 perspective some language that would address situations
22 where the customer is causing the estimated bills and
23 it's beyond the utility's control and creating an
24 exception for those circumstances. And we'll have to
25 think about, about that and how we would go about that

1 and ensuring that that would be an exceptional
2 circumstance.

3 And then third was the notification where it
4 would be filed. Now I'm not sure that that's something
5 that needs to be proposed into the particular rule
6 itself or if you would just like us to address that as
7 part of written comments of how we would expect that to
8 work or whether there would be quarterly reports. We
9 may be able to propose alternate language. I will think
10 about that if you have, specifically if you want us to
11 address it as part of the rule, if you can clarify that
12 for me, or if you would just like me to address how we
13 would envision it as part of like written comments.

14 **MS. KUMMER:** I don't necessarily think it
15 needs to be part of the rule. But I think in, again, in
16 terms of implementation down the road, how are we going
17 to get to where you would like for us to be?

18 **MS. CHRISTENSEN:** Okay. And we can certainly
19 give some consideration in our house of how we would
20 envision it being implemented. Of course, that's in no
21 way intended to be binding on the Commission staff, but
22 we do want to kind of recognize that you all have
23 internal processes and what we would expect to be done
24 with the data collected.

25 **MS. BULECZA-BANKS:** I also have one comment in

1 that area, that maybe if you could think about if there
2 could be a different timing method between notifying the
3 customer after two consecutive months as opposed to
4 notifying the Commission.

5 And the reason why I think that you might want
6 to think about maybe two different periods is that if a
7 utility goes out there, and we'll take the example where
8 a car is parked over the meter, as, as the utility rep
9 is out there, probably says, you know, okay, a car is
10 there. You know, maybe next month it'll be moved.
11 Well, they come out next month, now you've got two
12 months, and the car is still parked there. Okay. So
13 now I automatically have two consecutive months. Okay.
14 Now I'm issuing my notice. Okay. And depending on the
15 timing of the notice to the customer and how quickly
16 that issue can be resolved, you may have several of
17 those kind of incidents.

18 I'm not sure that the Commission needs to know
19 those type time frames for the two months. Maybe
20 perhaps when it is the four that's egregious. So maybe
21 if you could think about, maybe if there's a different
22 timing for when you would notify the customer, which I
23 have no problem after two consecutive months, I mean,
24 that you've got to provide notice to the customer, I
25 don't have any problem with that, but when we would get

1 it, when it becomes egregious. Because in that
2 situation I don't see that as egregious or probably a
3 trend. So just if you could think about that.

4 **MS. CHRISTENSEN:** Yeah. And we can certainly
5 consider how long do we think it needs to be before we
6 would consider it to be a trend where you've already
7 tried -- and maybe what you're trying to say is you
8 would like to see if there is an attempt through the
9 notification to the customer to see if that doesn't
10 resolve it, and even after the attempt somehow it's not
11 getting resolved, do the Commission -- does the
12 Commission need to step in?

13 **MS. BULECZA-BANKS:** Yeah. I mean, at that
14 point then I would, I would want the notice. Also, just
15 when you're thinking about these, if you're talking
16 about quarterly reports, you're talking about 145
17 reports, you're talking about Class C, 145 companies we
18 have. Just think about, you know, is there some point,
19 you know, if you want to do it by the level of customers
20 or percentage of customers that received estimated bills
21 or something in that.

22 I'm concerned that -- I really -- with these
23 small, small C companies, to impose another filing on
24 them is costly, timely. And when you only have a few
25 people working or two or three people working at the

1 company, that is of concern to me to impose upon them
2 another filing.

3 **MS. CHRISTENSEN:** And we appreciate that. But
4 we do think we need to include them in this type of
5 analysis because even for those small customers, they
6 still need to be getting timely and accurate bills. And
7 they may be, because they have limited staff, the ones
8 that need to be addressed by the Commission because they
9 may be the ones that are having problems on an
10 individual customer basis. But I will bring that back
11 to our staff.

12 Like I said, you know, we can certainly think
13 about whether it needs to be a quarterly report, a
14 six-month report. If we're trying to capture four-month
15 trends, maybe a six-month is more appropriate. If
16 that's -- you know, and twice a year hopefully is not
17 too onerous.

18 They shouldn't -- hopefully there isn't
19 anything to report and then that kind of eliminates that
20 need. But if there is a problem, we also want to make
21 sure that, you know, along with all of us that the
22 companies are being cognizant of issues that are going
23 on with their own billing. So we will take that into
24 consideration and address that.

25 **MS. BULECZA-BANKS:** And perhaps that's a good

1 point that you made was that if the incident did not, if
2 you did not estimate anything during the year, I mean,
3 we have some utilities that are just flat rates, so they
4 wouldn't be estimating anything, it's just a flat rate
5 bill every month, that maybe in those situations there's
6 no need to file, or maybe some caveats or something in
7 there.

8 **MS. CHRISTENSEN:** Yeah. I mean, I -- we, we
9 envision this for the monthly metered customers or every
10 other monthly metered customers. If you're a metered
11 customer, then you should be getting an accurate bill.
12 If you're a flat rate and you're not really being
13 metered, then it's not applicable to you I would think
14 would really be the way that we would envision the rule.
15 So that may, that may also address some of the smaller
16 companies.

17 **MS. MILLER:** We're going to take some more
18 comments on it. But one of the things I wanted to
19 mention was Bill McNulty will be working on the
20 statement of estimated regulatory costs, and we're very
21 sensitive to the need for that information. And when we
22 do get to the point where we're talking about filing of
23 comments, we would appreciate anything on the regulatory
24 burden and benefits and so forth. Again, because we are
25 just seeing this this morning, we don't want to get

1 ahead of ourselves on it.

2 Are there any other comments on this, this
3 rule?

4 **MR. RENDELL:** I think one other comment, just
5 briefly, and I echo Ms. Banks' earlier comments of the
6 absolute four months means it doesn't so much apply to
7 Aqua with the, with the RF, but for a small one that
8 would have someone parked on the meter and that person
9 did it more than four months out of the year, you know,
10 that absolute just wouldn't apply to them. They have no
11 control over if a customer parks on a meter or somehow
12 damages the meter, you know, maliciously or otherwise.
13 So just, you know, keep that under consideration.

14 **MS. CHRISTENSEN:** And we'll certainly think
15 about that in trying to craft some language that would
16 address situations where it is beyond the utility's
17 control. We would still though request that the
18 utilities, I think, and what we would try and do is keep
19 the language where the customers would still be getting
20 notice of what's causing the problem. I mean, if
21 they're the cause of it, they need to know that they're
22 the cause of it. They may not even realize that they're
23 doing and what the root cause of the problem of them not
24 being able to read the meter. So, you know, if you go
25 out and read it and the car is parked on the thing twice

1 a month, well, you know, if the notice goes out and says
2 your car was parked over the meter and we were unable to
3 read it and we will have to estimate your bill, now the
4 customer has the information to take the action. If
5 they refuse to do it, well, then obviously the utility,
6 you know, has done what they can to do that. And -- but
7 hopefully that would resolve it, just communication
8 would resolve the problem, so.

9 **MS. MILLER:** I think we're going to be ready
10 for the next rule that you have some changes to. I do
11 want to mention that we have a court reporter. So where
12 possible, kind of be cognizant of that and state your
13 name and speak slowly and clearly. I notice some of our
14 discussion back and forth may get a little difficult on
15 that.

16 Okay. Would you like to talk about your next
17 rule changes that you're suggesting?

18 **MS. CHRISTENSEN:** Yes. We can do that. We
19 have no changes to the 25-30.351 where you're just
20 pulling out the language and creating its own bill.

21 We did have suggested language on the proposed
22 rule changes to 25-30.350, the backbilling or the
23 underbillings and overbillings for water and wastewater
24 services.

25 The first two sentences or three, I think we

1 have no disagreement as to the language. And that may
2 have been language that was in the previous bill.

3 Where we differ is in the staff's proposed
4 rule it has, "The utility shall not recover in a
5 ratemaking proceeding, any lost revenues greater than
6 the amount collectible under this rule." And OPC does
7 not agree with that language. I don't think that's been
8 the way that the Commission has handled that in the
9 past. And we would actually propose or suggest some
10 language change all together. And it would read, "The
11 underbilled service shall be billed" -- well, and this
12 is the other problem. We think that there needs to be
13 some clarification in the rule as to how any underbilled
14 service will be billed to future customers so that it's
15 clear on a going-forward basis that if for some reason
16 there's a mistake created, how are the customers going
17 to be charged for this water rate and how is that going
18 to happen?

19 You know, OPC believes that if, if it's a
20 utility mistake or even if it's just a mistake, the
21 customers should be billed at the lowest rate, and
22 that's essentially what this language would be, "The
23 underbilled service shall be billed at the lowest
24 applicable tiered rate in effect during the time period
25 when the water was consumed for the relevant customer

1 class." And that's just stating if you're going to
2 backbill some amount, what's the rate that's going to be
3 applied and the time frame?

4 And then it makes it fairly clear, it makes it
5 easier to analyze any back bills. And it also creates
6 an incentive not to have to back bill customers for
7 mistakes because you want to be able to bill accurately
8 and, you know, and timely, and this creates, I think,
9 that incentive to do that as well.

10 The second sentence is, "The revenue
11 requirement produced in any ratemaking proceeding shall
12 include all corrected revenues and billing consumption
13 for the test year period."

14 The Office of Public Counsel believes that it
15 is imperative in ratemaking proceedings to get the
16 correct amount of revenues and total billing
17 consumption, and that needs to be corrected for any
18 underbillings. You need to have what should have been
19 billed during any test year period. And that just would
20 clarify that.

21 And then the following sentence is, "However,
22 any billing errors which are the result of the utility's
23 mistake shall not increase the bad debt expense in the
24 test year." In other words, if the utility, and it's,
25 it's their mistakes is creating a problem and then

1 having to generate a large amount of back bills and
2 because of that practice it's creating additional bad
3 debt expense on the, excuse me, company's books, that
4 they should not essentially be benefiting from that. So
5 that's where that language is coming from. And that's
6 really to address that sentence that we eliminated. And
7 that would be our proposed changes for the first
8 paragraph.

9 If you like, I can go on to the second
10 paragraph language changes. The second paragraph
11 language changes, I think for the first two sentences
12 really all it is is a suggestion that a comma be
13 inserted and that those two sentences be combined. And
14 instead of "In the event of overbillings," we would
15 suggest, "In the event of an overbilling, the utility."

16 Truly I think the rest of the language is the
17 same except for the refund amount shall not include any
18 part of a minimum charge. And, frankly, we proposed
19 eliminating that language, one, because we didn't really
20 understand what it was trying to get at. And, two,
21 since this is overbilling, if the charge contemplated
22 here, if the minimum charge contemplated was a base
23 facility charge, if you're charging somebody a base
24 facility charge appropriately, you're not overbilling
25 them. So we were confused as to the purpose of that

1 language, what was that situation trying to adjust, and
2 we could not envision a situation where, you know -- you
3 know, you either are overbilled because you didn't have
4 the right to bill it in the first place or you were
5 billing the appropriate amount. And I'm not sure --
6 that may have been language that was imported from
7 another utility, the electric rules, and it may not be
8 applicable in the water arena. And I think that's the
9 other reason to take it out is, you know, there's no --
10 you know, we realize all the customers need to be
11 charged a base facility charge. That's just the way the
12 structure is set up in water. And so the overbillings
13 would, I think, just by application not include the base
14 facility charge. So we thought it was superfluous. And
15 those are our suggested changes to that rule.

16 **MS. MILLER:** Thank you. Let's see if we have
17 any questions or comments.

18 **MS. KUMMER:** I -- there's some things in here
19 I would definitely like to take a look at, but at this
20 time I need to think about them a little bit more before
21 I can even ask questions.

22 **MS. MILLER:** All right. Comments?

23 **MR. RENDELL:** Yes. Troy Rendell again with
24 Aqua Utilities.

25 The one, I guess the one sentence that I take

1 issue with and have comments is the, the sentence
2 starting on line 5, "The underbilled service shall be
3 billed at the lowest applicable tiered rate." And I
4 just want to make a couple of points on that.

5 One is we provided ample responses to
6 discovery, also an increase from the Commission as to
7 how underbillings or backbillings are accomplished. And
8 the way they're done is you take a -- once you get an
9 accurate meter reading, you calculate an average daily
10 usage for that period, whether it be 60 days, 90 days,
11 and the billings are based on the daily usage.

12 So I think if this is contemplated, it causes
13 a utility to become in direct contradiction to Section
14 367.091 where we can only charge what's in our tariff.
15 We're required to charge rates in our tariff. And if we
16 have the data and we're not allowed to charge the rate
17 in our tariff, then we're in direct conflict with the
18 statute.

19 The other thing it may do is create a
20 discriminatory environment where one customer is being
21 charged something different than other customers, and it
22 could set up where the shortfall would be recovered
23 through the remaining body of the ratepayers. But,
24 again, we just got this today and I'll go back and look
25 at it, but I think that we have to take a look at that

1 one very closely to make sure it's nondiscriminatory and
2 not in direct conflict with the statutes.

3 **MS. VANDIVER:** Hi. I'm Denise Vandiver with
4 the Office of Public Counsel.

5 Is it on?

6 **MS. CHRISTENSEN:** You're on. Just talk
7 louder.

8 **MS. VANDIVER:** Okay. All right. And I don't
9 disagree necessarily with what Troy is saying and I
10 think that's how it's generally been done.

11 I think part of our concern is is that's
12 presuming that a customer has been underbilled on an
13 equal basis. And if there has been a leak or something,
14 it might not have really been in that nature and you
15 might be putting more consumption in a month that would
16 put them into a higher rate band and it might create
17 some inequities with the customer.

18 So because you don't always know when that
19 consumption was, was incurred, we just thought the
20 lowest rate would be the most fair because either way
21 you're presuming when that consumption was. And I don't
22 think either way would be in conflict with the tariff.
23 It's just a policy decision on how you would want to
24 handle it. I don't -- that's just my two cents on the
25 tariff issue. But either way you're estimating, so it's

1 just how do you want to estimate it?

2 **MR. RENDELL:** Well, it's actually not
3 estimated. It's actual consumption, but that's just --

4 **MS. VANDIVER:** Well, you're estimating when it
5 occurred I think.

6 **MR. RENDELL:** Yeah. Correct.

7 **MS. VANDIVER:** That's what I meant. Sorry.

8 **MS. MILLER:** Let's see if we have any
9 additional comments on that point, or questions.

10 **MS. CHRISTENSEN:** Is that something that you
11 would like us to address more fully in comments or you
12 all need to think about it and just try and think about
13 how that would play out?

14 **MS. KUMMER:** Patty, I think it would be very
15 helpful for us in your written comments if you would
16 basically do the same thing in writing that you've done
17 today is explain your rationale for wanting these
18 changes, what you're seeing the changes to be addressing
19 and why you think that that's a necessary point that
20 needs to be addressed in the rule. That would help us
21 tremendously.

22 **MS. CHRISTENSEN:** Certainly. And then we can
23 also think about the revenue impact as well. All right.

24 **MS. MILLER:** Any more comments or questions on
25 any of the three rules?

1 Okay. We're at the stage now where we're
2 going to talk about next steps, and I wanted to again
3 emphasize that we're at an early stage. What we'll do
4 next is seek written comments. And then we're going to,
5 after we meet as staff and get a consensus draft, we're
6 going to ask our staff here at the Commission, Bill
7 McNulty, to work on the statement of estimated
8 regulatory costs. And then after all that is done, we
9 will come to the Commission with a proposed rule. And
10 that could be a few months from now.

11 And then after the rule is proposed, it goes
12 in the *Florida Administrative Weekly* and there's 21 days
13 for people to comment and/or seek a hearing. And then
14 if that occurs, then we go back to the Commission either
15 with a hearing or with the comments and suggested
16 changes to the proposal. And then the rule is filed
17 with the Department of State, and it's 20 more days and
18 then the rule would become effective. So you can see
19 what stage we're at right now.

20 We're thinking about the comment date, and
21 we're, we're pretty open on this, but we were thinking
22 about maybe June 7th as being a fair date. But if that
23 seems to put any pressure, we're glad to extend it to
24 the 14th; whatever people would like.

25 **MS. KUMMER:** We talked -- I'm sorry. Go

1 ahead, Troy.

2 **MR. RENDELL:** I'm sorry. I'm fine with that.
3 I just have one question. The statement on regulatory
4 costs, would that be as, as drafted, as drafted by
5 staff, or do you want it also as proposed by OPC or both
6 or either or --

7 **MS. MILLER:** It is drafted by staff, and I
8 think Bill McNulty may want to respond on that more.
9 But we are -- so, yes, it's definitely drafted by staff.
10 But we are seeking information, and if you have it now,
11 great. And sometimes what we do is a staff data
12 request.

13 **MR. RENDELL:** Okay.

14 **MR. McNULTY:** Right. What I would say about
15 that is that it would be great to be able to get your
16 perspective of what the costs would be as laid out by
17 staff in the rule workshop notice. And then also the
18 proposed changes that have been presented by Office of
19 Public Counsel, if you could say what those would be,
20 understanding that this is sort of a preliminary process
21 and that we may be, as Cindy suggested, sending out a
22 data request to get better refinement as we get closer
23 to what might be a consensus draft rule.

24 **MR. SAYLER:** This is Erik Sayler, Office of
25 Public Counsel. If, if after comments the draft rule is

1 revised, are you going to have another staff workshop on
2 the revised, any revisions? I can understand if there
3 are no revisions made to the rule, then it could go
4 straight to the Commission. But if there are revisions
5 made in light of the comments by our office and the
6 industry, then it might be helpful to have a secondary
7 workshop just so that everyone kind of understands where
8 everything is.

9 And then after that, it seems in my mind it
10 would be more efficient to base that regulatory impact
11 on any revised rule, and then everyone would have an
12 idea to kind of know what rule the regulatory impact is
13 based upon. I'm just thinking of the process, the
14 easier thing, and I'm not trying to encourage or incur
15 more work for myself or you guys or the industry, so.

16 **MS. MILLER:** We will --

17 **MS. KUMMER:** I -- I'm sorry. Go ahead.

18 **MS. MILLER:** We'll certainly consider that,
19 but it's not a requirement. So I don't know -- the
20 other opportunity is of course at agenda to talk about
21 it, but we'll certainly consider that.

22 **MS. KUMMER:** I, again, for a purely practical
23 matter, I tend to agree with Erik's approach, is if
24 we're going to make substantial changes or --
25 substantial -- significant, I don't know even how to

1 term, quantify those, but if we're going to make changes
2 to what staff has originally proposed, I think it would
3 be very helpful to at least send out that version for
4 comments. If we don't necessarily have another
5 workshop, at least let you know where we've changed
6 paths, if we do. And it could be that we get everyone
7 perfectly satisfied and there's no need for another
8 workshop. But I think it would be fair to send out a
9 second round of the draft rule just so that we know if
10 we do have problems, if we do need another workshop
11 before we start going through the formal process of
12 sending out the data requests for the SERC and going
13 down that road. That's just my, my take on it.

14 **MS. BULECZA-BANKS:** Yes. I think that as far
15 as the SERC is concerned, I only want the estimates
16 based on one rule that we're proposing, not the what-if
17 strategies and, you know, if you did this or this.
18 That's just too complicated. To me it would be like you
19 send that out and the utilities comment on the cost of
20 that particular rule. That to me is more efficient.

21 **MS. KUMMER:** It will, it will be helpful in
22 this round of comments if you have cost estimates based
23 on the two approaches, you know, to the extent you can
24 provide us any of that cost information it will be very
25 helpful.

1 But I agree with Cheryl, before we send out
2 SERC data requests and start going down that road, we
3 need to be pretty sure that we're at the final version
4 of the rule that we're going to take to the Commission.

5 **MS. CHRISTENSEN:** Okay.

6 **MS. MILLER:** Yes. When a, when a SERC is
7 prepared, it's only on one, one rule. It's not on
8 alternatives.

9 Any other comments or questions or concerns?
10 So we're saying June 7th for the written comments and
11 alternatives.

12 Thank you very much for coming, and we're
13 adjourned.

14 (Proceeding adjourned at 10:28 a.m.)

1 STATE OF FLORIDA)
2 : CERTIFICATE OF REPORTER
3 COUNTY OF LEON)

4 I, LINDA BOLES, RPR, CRR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that I stenographically
9 reported the said proceedings; that the same has been
10 transcribed under my direct supervision; and that this
11 transcript constitutes a true transcription of my notes
12 of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties, nor
15 am I a relative or employee of any of the parties'
16 attorneys or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED THIS 24th day of May,
19 2012.

20 Linda Boles
21 LINDA BOLES, RPR, CRR
22 FPSC Official Commission Reporter
23 (850) 413-6734
24
25

1 25-30.335 Customer Billing.

2 (1) Except as provided in this rule, a utility shall render bills to customers at regular intervals,
3 and each bill shall indicate: the billing period covered; the applicable rate schedule; beginning
4 and ending meter reading; the amount of the bill; the delinquent date or the date after which
5 the bill becomes past due; and any authorized late payment charge.

6 (2) Where there is sufficient cause, estimated bills may be provided. If the utility estimates
7 the bill, the utility shall indicate on the bill that the amount owed is an estimated amount, and
8 the word "estimated" shall be prominently displayed on the bill.

9 An estimated bill shall not be provided to a customer for more than two consecutive
10 months in a twelve month period unless the utility provides a notice to the customer and to the
11 Commission stating with specificity sufficient cause for providing an estimated bill.

12 ~~However, with the third consecutive estimated bill, the company shall contact the customer, to~~
13 ~~explain the reason for the estimated bill(s) and to provide a~~ In the notice to a customer
14 regarding an estimated bill, a utility contact shall be provided so that the customer may request
15 an actual meter reading. The utility is also obligated to timely correct the problems causing the
16 need to estimate bills that are within the utility's control and service obligations. An actual
17 ~~meter reading must be taken at least once every six months. However, in no event shall a~~
18 utility provide more than four consecutive estimated bills in a twelve month period. If the
19 ~~utility estimates the bill, the utility shall indicate on the bill that the amount owed is an~~
20 ~~estimated amount.~~

21 (3) When service is rendered for less than 50 percent of the normal billing cycle, the utility
22 shall prorate the base facility charges as though the normal billing cycle were 30 days, except
23 that the utility may elect not to issue an initial bill for service if the service is rendered during
24 a time period which is less than 50 percent of the normal billing cycle. Instead, the utility may
25 elect to combine the amount owed for the service rendered during the initial time period with

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from existing law.

1 | the amount owed for the next billing cycle, and issue a single bill for the combined time
2 | period. For service taken under flat rate schedules, 50 percent of the normal charges may be
3 | applied.

4 | (4) A utility may not consider a customer delinquent in paying his or her bill until the 21st day
5 | after the utility has mailed or presented the bill for payment.

6 | (5) Each utility shall establish each point of delivery as an independent customer and shall
7 | calculate the amount of the bill accordingly, except where physical conditions make it
8 | necessary to use additional meters or points of delivery for one class of service to a single
9 | customer on the same premises, or where such multiple meters or delivery points are used for
10 | the convenience of the utility.

11 | (6) A utility may not incorporate municipal or county franchise fees into the amount indicated
12 | as the cost for service on the customer's bill. Rather, the utility shall show any such franchise
13 | fee as a separate item.

14 | (7) The utility shall maintain a record of each customer's account for the most current 2 years
15 | so as to permit reproduction of the customer's bills during the time that the utility provided
16 | service to that customer.

17 | ~~(8) In the event of unauthorized use of service by a customer, a utility may bill the customer
18 | on a reasonable estimate of the service taken. In addition, the utility may assess a fee to defray
19 | the cost of restoring service to such a customer provided that the fee is specified in the utility's
20 | tariff.~~

21 | (9) If a utility utilizes the base facility and usage charge rate structure and does not have a
22 | Commission authorized vacation rate, the utility shall bill the customer the base facility charge
23 | regardless of whether there is any usage.

24 | Rulemaking Specific Authority 350.127(2), 367.121 FS. Law Implemented 367.091, 367.121
25 | FS. History—Amended 9-14-74, 6-21-79, Formerly 25-10.97, 25-10.097, Amended 11-10-86,

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1 11-30-93.
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CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

1 25-30.350 Backbilling. ~~Underbillings and Overbillings for Water and Wastewater Service.~~
2 (1) A utility may not backbill customers for any period greater than 12 months for any
3 undercharge in billing which is the result of the utility's mistake. The utility shall allow the
4 customer to pay for the unbilled service over the same time period as the time period during
5 which the underbilling occurred or some other mutually agreeable time period. The
6 underbilled service shall be billed at the lowest applicable tiered rate in effect during the time
7 period when the water was consumed for the relevant customer class. The revenue
8 requirement produced in any ratemaking proceeding shall include all corrected revenues and
9 billing consumption for the test year period. However, any billing errors which are the result
10 of the utility's mistake shall not increase bad debt expense in the test year. The utility shall
11 not recover in a ratemaking proceeding, any lost revenues greater than the amount collectible
12 under this rule which inure to the utility's detriment on account of this provision.
13 (2) In the event of an overbilling, ~~s.~~ The utility shall refund the overcharge to the customer
14 for the period during which the overcharge occurred, based on available records. If
15 commencement of the overcharging cannot be established, then a reasonable estimate of the
16 overcharge shall be made and refunded to the customer. The amount and period of the
17 adjustment shall be based on the available records. ~~The refund shall not include any part of a~~
18 minimum charge.
19 (3) In the event of an overbilling, the customer may elect to receive the refund as a credit to
20 future billings, or as a one-time payment.

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Specific Authority 350.127(2), 367.121 FS. Law Implemented 367.091, 367.121 FS. History-
New 11-10-86.

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25-30.351 Unauthorized Use.

In the event of unauthorized use of service by a customer, a utility may bill the customer on a reasonable estimate of the service taken. In addition, the utility may assess a fee to defray the cost of restoring service to such a customer provided that the fee is specified in the utility's tariff.

Rulemaking Authority 350.127, 367.121 F. S. Law Implemented 367.091, 367.121, F.S.

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