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September 6, 2013

Hand Delivery

Ann Cole
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Ni Florida Lee County Customer Meeting August 15, 2013
Docket No. 130010

RECEIVED - FPSC
13 SEP - 6 PM 4:56
COMMISSION
CLERK

Dear Ms. Cole:

Pursuant to a request from PSC staff, Ni Florida herein responds to the issues raised at the water customer meeting held in Lee County on August 15, 2013.

As PSC staff is aware, Ni Florida currently serves approximately 750 water customers in Lee County (the "Tamiami" system). At the August 15, 2013 meeting, five water customers addressed staff including the assistant manager of a park served within Ni Florida's territory.

A customer concern expressed at the meeting was that many Ni Florida customers are on fixed or limited income and the increase in their water bill may present difficulty. Ni Florida recognizes the hardship that rate increases can have on its customers but it is also a prudent business practice for Ni Florida to recover its increase in costs and earn a fair return on its investment. We are confident that PSC staff and the Commission recognize that reality. Ni Florida is required to meet state and federal utility regulations and a utility provider is allowed to recover reasonable and necessary capital investments as well as reasonable increase in operations and maintenance to maintain and/or improve its quality of service. The Florida Commission is tasked with being fair and impartial in setting fair rates for utilities and ensuring that only legitimate expenses are allowed to be recovered by the utilities. Ni Florida has cooperated and will continue to cooperate with PSC staff to address any concerns regarding Ni Florida's costs and/or Ni Florida's return on its investment.

In addition to the overall concerns expressed at the meeting regarding a rate increase, a few customers expressed concerns that are each specifically addressed below:

COM
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ENG
GCL
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TEL
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2
1

Customer Concern: Length of time to a credit customer's bill. The customer stated that Ni Florida took over six months to credit his bill for over 25,000 gallons of usage. Ni Florida's goal is to make bill adjustments in a prompt and timely manner, and its response to this customer was appropriate. The customer contacted Ni Florida to reread his meter after receiving a bill for 16,620 gallons of water during the highest month of use, although typical usage was significantly less. The meter reading showed that the usage was correct. After the customer was informed that the usage was correct, he called the PSC and filed a complaint. During the complaint process, Ni Florida explained that the meter reading was correct, and although the customer's usage was again normal, offered a field accuracy test or bench test. Ni Florida's response to the complaint is attached. Thereafter, the customer contacted the Ni America Customer Service Office and received a misread meter credit as a courtesy.

Customer Concern: Leaks. Ni Florida takes each leak very seriously, as water is a valuable resource and leaks cost money. A leak on Venus Lane was reported after normal business hours, and Ni Florida received notice of the leak at approximately 8:00 am the following morning. Personnel were dispatched shortly after and the repair to the service line was completed later that afternoon or evening. Ni Florida reports annual water losses and unaccounted for water percentages in its FPSC Annual Report of 1%, 3%, and 10% for the years 2012, 2011 and 2010, respectively. As the standard percentage for water loss is 10%, Ni Florida is doing extremely well in that regard and has taken exemplary actions to improve and control water loss since its acquisition of the system.

Customer Concern: Responsibility for leak repair. Ni Florida is responsible for all leaks on the utility side of the meter, and the customer is responsible for all leaks on the customer side of the meter. If a leak on the utility side of the meter was fixed by customers or the mobile home park, then we appreciate their efforts. Neither Ni Florida nor Utility Group of Florida is aware of any circumstance where a customer made such a repair. As the customer making the statement was apparently referencing the circumstances of a neighbor we believe that the statement was a misunderstanding of the facts by this customer.

Customer Concern: Boil water notices. A customer stated there are too many boil water notices. She also stated the notices occurred approximately once every month. Company records indicate there are even less than one per month, specifically, there were nine notices in 2011, eight in 2012, and nine in 2013.

Boil water notices are a proper and necessary way to inform customers that the water may be unsafe to drink for a period of time due to a water line break or other conditions. As per an agreement requested by the management of Tamiami Village, and in an attempt to keep the management aware of all issues related to water provided to the community, Tamiami Village is emailed the boil water notice, then prints and collates them and gives them to John Palmer for distribution to the affected customers. Utility Group of Florida is charged and Tamiami Village is paid on a per-event basis for this service.

It should be noted that when Ni Florida acquired the Tamiami system water leaks were a common occurrence and required the entire system to be shut down for leak repair. In fact, when

Ni Florida acquired the system, customers advised Ni Florida personnel that the entire system had been shut down for leak repair as often as once or twice each week. Ni Florida has installed isolation valves throughout the Tamiami system and the occasional leaks that do occur now only affect the street on which the leak is located, providing significantly improved uninterrupted service for all customers. As shown above, leak repairs requiring boil water notices now occur less than once per month.

Customer Concern: No Ni Florida representative on the premises. In fact, John Palmer, a local resident, is employed by Utility Group of Florida as a paid part-time employee. Mr. Palmer, who logs his hours weekly, performs pH reading, re-reads of meters when required, repairs simple leaks, assists with repairs for larger leaks and attends to customer needs.

Customer Concern: Tamiami Village tractor made street repairs, rather than Ni Florida. There has been a single instance communicated to Ni Florida that while Mr. Palmer was making a minor repair, a Tamiami Village board member offered to assist Mr. Palmer with the use of his own tractor, and Mr. Palmer accepted the assistance.

Customer Concern: Ni Florida's Overhead. Ni Florida, LLC is owned by Ni America Capital Management, LLC whose headquarters is in Houston, Texas. The expenses of the corporate offices and employees based there are allocated to Ni Florida based on the number of equivalent residential customers in Ni Florida to the total of all equivalent residential customers for all utilities owned by Ni America Capital Management, LLC. The functions performed by the corporate employees are many and include accounting, finance, cash management, human resources, reporting, contract management, legal, purchasing, planning, and controls over all aspects of the business, to name a few. All of these expenses are reviewed by the FPSC auditors and only legitimate expenses are allowed to be included in the cost of serving the Ni Florida customers.

Customer Concern: Slow response time. Tamiami management has requested quicker emergency response times and to that end, John Wittenzellner (Florida Utility Group) and Barbara Oliveira (Tamiami Village) coordinated and identified a local plumbing contractor that would be satisfactory to use when needed. The final documentation is currently being submitted to the Utility Group of Florida office and it is expected that this contractor will be utilized in the future.

Customer Concern: Ni Florida's Call Center is difficult to access. The Ni America customer call center experienced higher than usual call volumes over the past several months due to transitioning the Florida call center to the Ni America call center. The Company therefore made numerous call center improvements, including additional personnel and improved telephone software. These efforts will certainly enhance Ni Florida's ability to provide exemplary customer service.

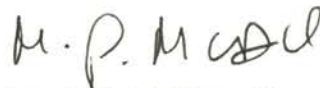
Finally, as the Commission is aware, Ni Florida completed its purchase of the Tamiami system in 2009. At the time of acquisition, the system was in need of substantial repairs. Ni Florida remains committed to continue to improve the quality of service at Tamiami, and has made the following capital improvements in the past few years at Tamiami:

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- Installed isolation valves throughout the system.
- Replaced meters (completed Phases 1, 2, and 3 to date).
- Replaced damaged meter boxes.
- Installed meter valves to allow customers to shut off water when they leave for the season.
- Replaced large meter boxes for clubhouse and installed concrete commercial meter boxes in Hwy 41 strip center to ensure they would withstand the load of a vehicle as parking occurs in the immediate area.
- Purchased leak detection equipment to conduct leak detection survey in the coming year.

If you have further questions, comments or comments, please do not hesitate to contact me. Thank you.

Sincerely,



Martin P. McDonnell

MPM/vp
Attachments

cc: Melissa L'Amoreaux
Stan Rieger
Suzanne Brownless

Request No. 1104207W

Name ANDERSON , ROBERT MR.

Business Name

Consumer Information Name: ROBERT ANDERSON Business Name: Svc Address: 3097 SATURN CIRCLE County: Lee Phone: (515) -669-4234 City/Zip: Fort Myers / 33903- Account Number: 1968 Caller's Name: ROBERT ANDERSON Mailing Address: 3097 SATURN CIRCLE City/Zip: FORT MYERS , FL 33903- Can Be Reached: E-Tracking Number:	Florida Public Service Commission - Consumer Request 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 850-413-6480	PSC Information Assigned To: SHONNA MCCRAY Entered By: TM Date: 03/12/2013 Time: 13:46 Via: PHONE Prelim Type: IMPROPER BILLS PO: Disputed Amt: 100.00
	Utility Information Company: NI FLORIDA, LLC Attn: Jenny Jernigan1104207W Response Needed From Company? Y Date Due: 04/02/2013 Interim Report Received: / / Reply Received: / / Reply Received Timely/Late: Informal Conf.: N	Supmntl Rpt Req'd: / / Certified Letter Sent: / / Certified Letter Rec'd: / / Closed by: Date: / / Closeout Type: Apparent Rule Violation: N

Preclose Type - Improper Bills

What is the amount of the bill in dispute? 126.90

What is the date of the bill? 01/28/13

Why do you believe you have been billed improperly? Bill much higher than average usage.

16,000

Other Comments:

Customer states his water bills are usually under \$30. Customer received a high bill in January for \$126. Customer states this far exceeds his average bill. Customer has complied with the utilities instructions on checking the meter and has also had a plumber check the home for leaks. No leaks are present.

Request No. 1104207W

Name ANDERSON , ROBERT MR.

Business Name

Per Consumer Complaint Rule 25-22.032, please use the following procedures when responding to PSC complaints.

1. Complaint resolution should be provided to the customer via direct contact with the customer, either verbally or in writing within 15 working days after the complaint has been sent to the company.
2. A response to the PSC is due by 5:00 p.m. Eastern time, of the 15th working days after the complaint has been sent to the company.
3. The response should include the following:
 - a) the cause of the problem
 - b) actions taken to resolve the customer's complaint
 - c) the company's proposed resolution to the complaint
 - d) answers to any questions raised by staff in the complaint
 - e) confirmation the company has made direct contact with the customer

4. Send your written response to the PSC, and copies of all correspondence with the customer to the following e-mail, fax, or physical addresses:

E-Mail - pscreply@psc.state.fl.us

Fax - 850-413-7168

Mail - 2540 Shumard Oak Blvd.

Tallahassee, Florida 32399-0850

Case taken by Tekeyshia Mitchell

Request No. 1104207W

Name ANDERSON , ROBERT MR.

Business Name

PAGE NO: 2

Ni Florida, LLC
Utility Group of Florida, LLC
10130 Scenic Dr
Port Richey, FL 34668

3/31/2013

Mr. Robert Anderson
3097 Saturn Cr
N Fort Myers, FL 33903

RE: Services received at: 3097 Saturn Cr, N Fort Myers, FL 33903.

Dear Mr. Anderson,

As the operations contractor for Ni Florida, LLC, I am writing this letter as a follow-up to a correspondence received via e-mail on March 12, 2013, from Tekeyshia Mitchell of the PSC, requesting Ni Florida to respond to a complaint file by you at the above-mentioned address.

Your complaint stated that you felt you were being overcharged because, "the bill was much higher than average" and "usually the bills are \$30.00". After reviewing your account it appears that there was excessive usage in the billing cycle ending on 1/16/2013, which resulted in a higher than normal monthly bill. Your meter readings for the last six months are as follows:

	Reading	Usage
10/16/2012	3116	460
11/19/2012	3192	760
12/19/2012	3441	2490
01/16/2013	5103	16620
02/16/2013	5260	1570
03/16/2013	5376	1160

Influxes in usage are very common and could be the result of various causes, which could be anything from a leaky faucet, a running toilet, a broken water pipe, or excessive lawn watering. The complaint also stated, "had the plumber check the home for leaks. No leaks are present." If no leaks were found in the plumber's inspection then most likely there is no possibility of a leak which caused the usage, so the flow must have been caused by another source. The usage has been confirmed to be correct by the field service technician, who reread the meter. The billing for the time period in question was correct, for the quantity consumed as per the water meter. Also the usage for both months after the influx in usage has gone back down to average consumption for that customer. This indicates that there was some irregular consumption during that particular billing cycle, but the cause of the irregular consumption has since stopped. As for the accuracy of the meter, this service has a high grade meter which was installed relatively recently in April of 2010. The fact that there was only an influx seen in one month also indicates that this was not the result of a bad meter, because the two months following have had normal usage as well as the months prior. There is no indication of a defective meter but if you would like further inspection of the meter a field accuracy test can be performed, followed by a third party testing. If you wish to pursue third party testing a "Meter Bench Test Deposit" will be required. This deposit will be refunded if the results determine the meter to be inaccurate, but if the meter is found to be accurate this deposit will be retained by the utility as a service charge, per Ni Florida, LLC Water Tariff.

If you would like to discuss this issue further or have any questions regarding this or any other matter, please feel free to contact our office at (727)-863-0205.

Sincerely,



Corey Wittenzellner

cc: John Wittenzellner
Rick Melcher

Customer Detail

ANDERSON, ROBERT

Account Number

1968

ANDERSON, ROBERT
 3178 VENUS LN

N FORT MYERS FL
 33903-1110 (515)669-4234
 Service Address: 3097 SATURN CIRCLE

Months On System 24
 Total Usage 39,600
 Average Usage 1,650
 Sequence Number 15352
 Meter Serial Number
 Route Number 1
 Last Read Date 2/16/2013
 12 Month Average 2,321
 Last Year Average 900
 Previous Year Average 0
 Last 'Paid On Time' Date 1/15/2013
 Last Late Charge Date 2/23/2013
 Number Of Late Months 1
 Next Due Date 3/20/2013
 Year To Date Charges \$153.01

Date Turned On 4/25/2011
 Date Turned Off
 Meter Check Date
 Rate Code 1
 Pump/Well Number 1
 Last Reading 5260
 Previous Reading 5103
 Usage 1,570

OLD ACCOUNT # 1764

Deposit Information

Deposit Amount	\$40.00	Deposit Date	6/23/2011	Certificate Number	0
Deposit Amount 2	\$0.00	Deposit 2 Date		Services	Current Balance
Usage		Charges	Read Date		
January	16,620	126.90	1/16/2013		
February	1,570	26.11	2/16/2013		
March	710	17.00	3/14/2012		
April	750	17.20	4/15/2012		
May	840	17.63	5/14/2012		
June	640	16.67	6/16/2012		
July	1,590	21.21	7/15/2012		
August	840	17.63	8/18/2012		
September	580	16.38	9/16/2012		
October	460	15.81	10/16/2012		
November	760	17.24	11/19/2012		
December	2,490	25.51	12/19/2012		
Last Payment 1/15/2013 \$25.51 Check Number 73103				Previous Charges	\$153.01
Age 1 \$26.11	Age 2 \$126.90	Age 3 \$0.00		Current Balance	153.01

LT 05 BK 03

BASE FEE TO BE CHARGE IS \$8.46 FOR THIS MONTH OF APRIL 2011!! SPLIT BETWEEN ACC 1764

ANDERSON, ROBERT

Account Number
Extended Notes

1968

4/25/2011

BASE FEE TO BE CHARGE IS \$8.46 FOR THIS MONTH OF APRIL 2011!! SPLIT BETWEEN ACC 1764

4/30/2012

MRS. ROBERT CALLED TO SAY THAT SHE DID SEND THE PAYMENT. EXPLAINED TO HER THAT WHEN SHE PAYS THRU HER BANK, THEY IN TURN SEND US AN ACTUAL CHECK. TOLD HER TO PLEASE CALL THE BANK TO CONFIRM IF IT HAS BEEN CLEARED.

4/30/2012

SHE WILL BE CALLING THEM AND WILL CALL ME BACK.

4/30/2012

bill pay called reissuing check to account

1/31/2013

customer requested re-read. ph: 515-669-4234

1/31/2013

read is 5218

1/31/2013

IT IS IS SEQUENCE. MUST HAVE A LEAK.

1/31/2013

advised customer to check meter when there is no water usage. looks like there is a leak somewhere. told him he should contact a plumber and if there is a leak provide copy of repair bill so wen can adjust his balance.