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Public Service Commission

July 6, 2015

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15 JUL -6 PM 2:22
COMMISSION
CLERK

Mr. Tim Thompson
Marion Utilities, Inc.
710 NE 30th Ave.
Ocala, Florida 34470

STAFF'S THIRD DATA REQUEST

Re: Docket No. 150092-WS – Request for approval of amendment to tariff for miscellaneous service charges by Marion Utilities, Inc.

Dear Mr. Thompson:

Thank you for the responses to staff's Second Data Request filed by Marion Utilities, Inc. (Marion or Utility). Staff has reviewed the responses and requires additional information to complete our review of the application.

1. **Miscellaneous Service Charges.** The Commission has not typically approved price index percentages as a cost justification for increasing miscellaneous service charges. Please provide staff with a breakdown of the costs included in requested the miscellaneous service charge increases. Below are some examples of costs that may have increased since the utility's last established charges and be recovered through miscellaneous service charges.
 - (a) Office costs associated with recording and processing a customer request for service, including labor, computer service, and postage.
 - (b) Office costs associated with receiving, recording and processing the subsequent customer request for termination of service and final bill, including labor, computer services, and postage.
 - (c) Field costs associated with the inspection of a facility and connection of service, including transportation, labor, and meter reading expense.
 - (d) Field costs associated with disconnection of service, including transportation, labor, and meter reading expense.
 - (e) Overhead costs directly related to a specific job, including a portion of general office facilities and equipment, supervision, insurance, and small miscellaneous expenses required to support service activities.

2. **Initial Customer Deposits - Water.** The utility provided a narrative of the steps it took to calculate the initial customer deposit for water service. However, please submit the billing reports that the utility relied upon to calculate the current average residential water bill.
3. **Initial Customer Deposits - Wastewater.** A review of the utility's wastewater tariff Sheet No. 13.0 showed a customer deposit of \$25.00 for residential wastewater service. Please confirm whether the utility is requesting an increase to its initial customer deposit amount for wastewater customers. If so, please provide the billing reports showing the current average residential wastewater bill.
4. **Non-Sufficient Funds Charge.** A review of the utility's tariff Sheet No. 15.1 showed that Marion does not currently have a non-sufficient funds (NSF) charge to recover the costs associated with returned checks. Please confirm whether the utility would like to include a NSF charge as a part of its tariff. Section 68.065, Florida Statutes, allows for the assessment of charges for the collection of worthless checks, drafts, or orders of payment. As currently set forth in Sections 832.08(5) and 68.065(2), F.S., the following NSF charges may be assessed:
 - (a) \$25, if the face value does not exceed \$50,
 - (b) \$30, if the face value exceeds \$50 but does not exceed \$300,
 - (c) \$40, if the face value exceeds \$300,
 - (d) or five percent of the face amount of the check, whichever is greater.
5. **Late Payment Charge.** The revised tariff Sheet No. 15.1 included in the utility's application shows a delinquent payment charge of \$6.00. If the utility is requesting an increase from the currently-approved \$5.00 charge, please provide staff with a cost justification for the utility's requested revised late payment charge. The cost justification should be in the format shown on the following page.

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LATE PAYMENT CHARGE CALCULATION		
1.	Average number of delinquent accounts per month.	
2.	Average number of customer accounts per month.	
3.	Percent of delinquent accounts per month.	
4.	Number of minutes per month spent processing late payment notices.	
5.	Number of minutes per notice.	
6.	Labor cost per notice.	
7.	Hourly salary of the employee processing late payment notices.	
8.	Printing cost per notice (paper and ink).	
9.	Postage cost per notice.	
Total Late Payment Charge		

Please submit the above information to the Office of Commission Clerk by August 6th to ensure timely processing of the application. If you have any questions or require further assistance regarding this matter, please contact me at (850) 413-6435 or via e-mail at aortega@psc.state.fl.us.

Sincerely,



Ana Ortega
Public Utility Analyst III

cc: **Division of Commission Clerk (Docket No. 150092-WS)**