



**Water and Wastewater Utility Operations, Maintenance, Engineering, Management, Construction**

December 8, 2015

Office of Commission Clerk  
Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

RECEIVED--FPSC  
2015 DEC 10 AM 9:12  
COMMISSION  
CLERK

*RE: Application of for approval of Late Payment Charges and Return Check (NSF) Charge and Request for Approval of Amendment to Tariff Sheets for Miscellaneous Service Charges for:*

<u>Utility</u>	<u>Certificate</u>	<u>County</u>
Brendenwood Waterworks, Inc.	339-W	Lake
Country Walk Utilities, Inc.	579-W	Highlands
Harbor Waterworks, Inc.	522-W & 565-S	Lake
Lake Idlewild Waterworks, Inc.	531-W	Lake
Raintree Waterworks, Inc.	539-W	Lake

To Whom It May Concern:

The below utilities (Applicants) respectfully requests approval for approval of Late Payment Charges and Return Check (NSF) Charge and Request for Approval of Amendment to Tariff Sheets for Miscellaneous Service Charges.

<u>Utility</u>	<u>Certificate</u>	<u>County</u>
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Country Walk Utilities, Inc.	579-W	Highlands
Harbor Waterworks, Inc.	522-W & 565-S	Lake
Lake Idlewild Waterworks, Inc.	531-W	Lake
Raintree Waterworks, Inc.	539-W	Lake

COM \_\_\_\_\_  
 AFD \_\_\_\_\_  
 APA \_\_\_\_\_  
 ECO \_\_\_\_\_  
 ENG \_\_\_\_\_  
 GCL \_\_\_\_\_  
 IDM \_\_\_\_\_  
 TEL \_\_\_\_\_  
 CLK \_\_\_\_\_

In support of these requests, the above Applicants provide the following:

- (1) Section 367.091, F.S., requires that rates, charges, and customer service policies be approved by the Commission. The Commission has authority to establish, increase, or change a rate or charge.
- (2) Since the late 1990s, the Florida Public Service Commission (FPSC) has approved late payment charges ranging from \$2.00 to \$7.00. The purpose of this charge is not only to provide an incentive for customers to make timely payment, thereby reducing the number of delinquent accounts, but also to place the cost burden of processing delinquent accounts solely upon those who are cost causers.

(3) The FPSC has approved late payment charges in the following Orders:

PSC-11-0204-TRF-SU	PSC-08-0255-PAA-WS	PSC-01-2101-TRF-WS
PSC-01-2101-TRF-WS	PSC-08-0255-PAA-WS	PSC-09-0752-PAA-WU
PSC-10-0257-TRF-WU	PSC-11-0204-TRF-SU	PSC-14-0105-TRF-WS

(4) In support of the Applicants request, provided is the cost justification required by Section 367.091, F.S.:

<u>Activity</u>	<u>Cost</u>
Apply Late Fee Charge to Account	\$ 0.13
Notice generation and postage	\$ 0.79
Account review, disconnect service order generation service order dispatch to proper field tech (4 minutes)	\$ 2.33
Reconnect service order generation, dispatch to proper filed tech and close, final eligible non-pay accounts to apply deposit and process to collection agency (3 minutes)	\$ 1.75
Total Labor and Material Cost for an account when all four steps (Late Fee, Notice, Disconnect, Reconnect) are completed	\$ 5.00

(5) The Applicants utilizes an outside vendor for all customer service, billing, collection, service order generation and dispatch, etc. For the 12 month period, approved late fees were applied as part of the billing/charge calculation process to the applicable regulated utilities with FPSC approved late payment fees. On average, the outside vendor's labor cost was \$0.13 per account to apply late fee. For the 12 month period, notices were mailed to 4,776 customers. Currently, the outside vendor invoices the regulated utilities \$0.30 plus postage for each notice mailed. (\$0.30 + \$0.49 = \$0.79). For the 12 month period, 460 disconnect service orders were generated

to the field. For the 12 month period, 241 customers paid and were reconnected. Reconnect fee was applied to the accounts through the service order process.

- (6) The following information is for the combined privately owned utility companies. For the 1 year reporting period:

Total Accounts Billed = 43,396

Late Fees applied = 9,442 accounts (late fee applied to 21.7% of eligible accounts)

Notices Mailed = 4,776 accounts (50% of customers pay after late fee is applied OR are below the minimum amount past due to qualify for a letter to be mailed)

Disconnect Service Orders = 460 accounts (90% of customers who received a notice paid OR made payment arrangements to avoid disconnection)

Reconnect Service Orders = 241 accounts (This represents 52% of accounts disconnected)

- (7) These costs listed above are only for the processing costs, they do not include any field related costs for USWC. These would be recovered through the other Miscellaneous Service Charges, such as the (1) Initial Connection Charge, (2) Reconnection Charge, and (3) Violation Reconnection Charge.

- (8) For the Returned Check (NSF) charge, these charges are authorized under Section 68.065, F.S., which allows for the assessment of charges for the collection of worthless checks, drafts, or orders of payment. This will not apply to Harbor Waterworks, Inc. since that Applicant already has a FPSC authorized charge. As currently set forth in Sections 832.08(5) and 68.065(2), F.S., the following NSF charges may be assessed:

1. \$25, if the face value does not exceed \$50,
2. \$30, if the face value exceeds \$50 but does not exceed \$300,
3. \$40, if the face value exceeds \$300,
4. or five percent of the face amount of the check, whichever is greater.

- (9) The FPSC has consistently approved these charges in prior Orders. (See Order Nos. PSC-10-0364-TRF-WS, PSC-10-0168-PAA-SU) Furthermore, NSF charges place the cost on the cost-causer, rather than requiring that the costs associated with the return of the NSF checks be spread across the general body of ratepayers.

- (10) The Applicants respectfully request that the FPSC approve their requests for approval of Late Payment Charges and Return Check (NSF) Charge and Request for Approval of Amendment to Tariff Sheets for Miscellaneous Service Charges consistent with past FPSC practice. (Note: Harbor Waterworks, Inc. currently has a FPSC NSF charge)

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "Troy Rendell". The signature is fluid and cursive, with a large initial "T" and "R".

Troy Rendell  
Manager of Regulated Utilities  
*// for the Applicants*

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

INITIAL CONNECTION – This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION – This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION – This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) – This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for non-payment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$15.00
Normal Reconnection Fee	\$15.00
Violation Reconnection Fee	\$15.00
Premises Visit Fee (in lieu of disconnection)	\$10.00
Late Payment Fee	\$ 5.00
Convenience Charge	\$ 2.60
Returned Check (NSF)	Pursuant to Section 832.08(5), Florida Statutes

EFFECTIVE DATE:

TYPE OF FILING: Tariff Filing

GARY A. DEREMER  
ISSUING OFFICER

PRESIDENT  
TITLE

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