

Rhema Business Services, Inc.

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960143-WU

FACSIMILE TRANSMISSION COVER SHEET

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Date: February 12, 1996
To: Ms. Roli Okome
Company: DIVISION OF WATER AND WASTEWATER
FLORIDA PUBLIC SERVICE COMMISSION
At: (904) 413-6921
From: Norman F. Mears
Re: Quail Meadow Utilities, Inc.
Pages: 3 including cover sheet

Florida Public Service Commission
Division of Water and Wastewater

Message:

A copy of Mr. Mehallis' letter quantifying the savings expected by converting from monthly to quarterly billing, quantifying the informal survey of the customers, and stating the anticipated effect on the average customer bill follows. A hard copy of this transmission will follow by first class mail.

Please call me at 562-9886 if you need any additional information.

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cc: Stephen G. Mehallis

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FPSC-RECORDS/REPORTING

QUAIL MEADOW UTILITIES, INC.
2477 East Commercial Boulevard
Fort Lauderdale, Florida 33308

February 8, 1996

Mr. Norman F. Mears
President
RHEMA Business Services, Inc.
1344 Vickers Drive
Tallahassee, Florida 32303

Re: Amendment to Water Tariff/Docket #861604-WU

Dear Norm:

Following up on our conversation of today, summarized below is a quantitative analysis of the savings which would be achieved at the present occupancy level at Quail Meadow:

1. # of customers (homes occupied) - 121
2. Homes under construction - 5

I. Savings to be realized by change to quarterly billings:

	<u>Est. Annual Savings</u>
a) Meter-reading time - 8 readings saved (4 instead of 12) @ \$100 per reading	\$ 800
b) Outside administrative services, \$211 per month, based on 121 customers - (8 x \$211) including postage, reports, etc.	1,688
c) In-house clerical and accounting services; personnel at both Ocala and Ft. Lauderdale locations - 8 functions of postings, deposits, etc. saved @ \$120 per function	960
d) Overnight mailings of payment stubs for monthly postings (Ft. Lauderdale to Ocala) 8 mailings saved @ \$8.50 per package	<u>68</u>
Total estimated savings	<u>\$ 3,516</u>

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II. Number of Residents Queried on Quarterly Billings - 18
(All of which are either in favor of or have no objection to quarterly billings)

III. Effect on Average Customer Bill
We see no reason why there would be any appreciable increase or decrease in the average monthly bill under the new procedure, as compared to the current monthly billing.

While the above savings may appear minor, they represent 14.8% of 1995 metered residential sales (\$23,723 ÷ \$3,516), and the significance of the requested change should be viewed in that light.

Thank you for following up with the Commission, and I hope the foregoing is of use to you in responding to their questions.

Sincerely,



Stephen G. Mehallis
Vice President

SGM:jmc