STATE OF FLORIDA



Commissioners: JOE GARCIA, CHAIRMAN J. TERRY DEASON SUSAN F. CLARK E. LEON JACOBS, JR. LILA A. JABER



DIVISION OF LEGAL SERVICES NOREEN S. DAVIS DIRECTOR (850) 413-6199

Public Service Commission

April 12, 2000

Mr. Vincent Formosa President & General Manager Useppa Island Utilities, Inc. P.O. Box 640 Bokeelia, Florida 33922

Re: Docket No. 000090-SU, Petition of Useppa Island Utilities, Inc. to Increase Wastewater Rates in Lee County.

Dear Mr. Formosa:

As a follow-up to the April 6, 2000 customer meeting, I am enclosing a copy of Rule 25-30.335, Florida Administrative Code, which outlines utility customer billing requirements. Subsection (1) states:

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

Customers advised staff at the customer meeting that the utility does not indicate the beginning and ending meter readings on its monthly billing. Please make arrangements to immediately revise your billing procedures to include the meter readings, along with all other requirements of the rule.

After a review of the utility's 1999 annual report, it has been decided that it will be necessary to conduct an audit of the utility's books for the calendar year ending December 31, 1999. And examination of the annual report shows the utility has not reconciled its books per the last Commission order. It appears the utility may overearn on an overall basis if staff recommends the increase in wastewater revenue requested in the limited proceeding. We anticipate a 60-90 day audit timeframe. Staff auditors will be contacting you to set-up an exact timeframe for the audit. The original recommendation filing date and Commission agenda date will have to be postponed pending the audit.

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Mr. Vincent Formosa Page 2 April 12, 2000

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If you have any questions, please do not hesitate to contact me at (850) 413-6974.

Sincerely,

Boli Cary

Robert J. Casey Professional Accountant Specialist

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Enclosure

cc: Division of Records and Reporting (000090-SU) Division of Water and Wastewater (Hoppe, Willis, Rendell) service and to assist the customer in obtaining the rate which is most advantageous for the customer's service requirements.

Specific Authority: 367.121, F.S.

Law Implemented: 367.121, F.S.

History: Amended 9/12/74, formerly 25–10.69, Transferred from 25–10.069 and Amended 11/10/86.

25-30.335 Customer Billing.

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

(2) If the utility estimates the bill, the utility shall indicate on the bill that the amount owed is an estimated amount.

(3) When service is rendered for less than 50 percent of the normal billing cycle, the utility shall prorate the base facility charges as though the normal billing cycle were 30 days, except that the utility may elect not to issue an initial bill for service if the service is rendered during a time period which is less than 50 percent of the normal billing cycle. Instead, the utility may elect to combine the amount owed for the service rendered during the initial time period with the amount owed for the next billing cycle, and issue a single bill for the combined time period. For service taken under flat rate schedules, 50 percent of the normal charges may be applied.

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

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

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

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

(8) 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.

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

Specific Authority: 350.127(2), 367.121, F.S.

Law Implemented: 367.121, F.S.

History: Amended 9/14/74, 6/21/79, formerly 25-10.97, Transferred from 25-10.097 and 25-10.111, and Amended 11/9/86, Amended 11/30/93.

25-30.340 Adjustment of Bills for Meter Error.

(1) In meter tests made by the Commission or by the utility at the request of the customer (as provided in Rule 25-30.266) the accuracy of registration of the meter and its performance in service shall be judged by its averaged error. The average meter error shall be considered to be the algebraic average of the errors at the test rate flows set out in Rule 25-30.263. Any adjustment of charges which