BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of amendment to connection/transfer sheets, increase in returned check charge, amendment to miscellaneous service charges, increase in meter installation charges, and imposition of new tap-in fee, in Marion County, by East Marion Sanitary Systems Inc.

DOCKET NO. 080562-WU ORDER NO. PSC-11-0566-AS-WU ISSUED: December 12, 2011

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR JULIE I. BROWN

ORDER APPROVING SETTLEMENT AGREEMENT AND REQUIRING REMAINING PARTIES TO FILE ACKNOWLEDGEMENT

BY THE COMMISSION:

Background

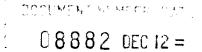
East Marion Sanitary Systems Inc. (East Marion or Utility) is a Class C utility providing water and wastewater service to approximately 96 customers in Marion County. Water and wastewater rates were last established for this Utility in a staff-assisted rate case in 2002.¹ East Marion reported water and wastewater revenues of \$56,918 in its 2010 Annual Report. The system is located in the St. Johns River Water Management District (SJRWMD).

On August 19, 2008, the Utility filed an application for approval to amend its tariff sheets to reflect the following: amendment to connection/transfer sheet to require each customer to provide his social security number to obtain service, increase in returned check charge, amendment to miscellaneous service charges, increase in meter installation charges, and the imposition of a new tap-in fee. By Order No. PSC-08-0746-PCO-WU, issued November 12, 2008, we suspended the tariff filing pending further investigation.

By Order No. PSC-09-0263-TRF-WU, issued April 27, 2009, we denied in part and granted in part the Utility's application. Specifically, we ordered that any customer who has requested an irrigation meter from East Marion prior to April 7, 2009, shall only be charged the rates in effect at the time of their application.

On May 18, 2009, the Utility protested the portion of our order addressing previous applications for irrigation meters. East Marion protested our requirement that the Utility install

¹ See Order No. PSC-02-1168-PAA-WS, issued August 26, 2002, in Docket No. 010869-WS, <u>In re: Application for</u> staff-assisted rate case in Marion County be East Marion Sanitary Systems, Inc.



FPSC-COMMISSION CLERK

irrigation meters at its prior tariff rate for certain customers. Specifically, East Marion protested the order as it related to customers Will, Smith, Tarsitano, Costello, and Politte. The Utility did not dispute the order as it relates to customers Greco and Singel, or to customer Turner if the application process is completed.

By Order No. PSC-09-0742-PCO-WU, issued November 10, 2009, a procedural schedule was established setting forth the controlling dates for this docket. East Marion was to file testimony on or before December 7, 2009. At that time, the Utility did not file testimony and none of the customers referenced in the order had requested intervention. In addition, our staff counsel was informed that settlement discussions had taken place between the parties. In an effort to accommodate those settlement discussions and to permit the Utility to file testimony and the customers to intervene if appropriate, the hearing, prehearing, and controlling dates were revised by Order No. PSC-10-0116-PCO-WU, issued February 26, 2010.

On May 6, 2010, a Joint Motion was filed by East Marion Sanitary Systems, Inc., Dennis U. Smith, Joseph M. Singel, Earl Turner, David Greco, Carol Greco, Millicent Mallon, Terry Will, and Kevin Politte (movants), requesting that we hold this proceeding in abeyance pending efforts by the parties to resolve their differences by way of settlement, and that we abate all of scheduled actions set forth in our Order Nos. PSC-10-0116-PCO-WU and PSC-10-0276-PCO-WU, First and Second Orders Revising Order Establishing Procedure (procedural orders), respectively. By Order No. PSC-10-0294-PCO-WU, issued May 7, 2010, this joint motion was approved holding this proceeding in abeyance for 45 days pending completion of those settlement discussions.

By Order No. PSC-10-0460-PCO-WU, issued July 19, 2010, an extension of the Order Granting Abatement and Continuance for 30 days was approved to allow the parties to continue negotiating an agreement. On September 15, 2010, intervention petitions filed by Terry Will, David Greco, Carol Greco, Dennis U. Smith, Millicent Mallon, Earl Turner, Joseph M. Singel, and Kevin Politte were granted.²

Prior to the proceeding being abated and pursuant to the prior procedural schedules, the Utility, intervenors, and our staff filed testimony. The remaining controlling dates and key activities that were abated are as follows: the Utility's rebuttal testimony, the discovery cut-off, the prehearing statement filing deadline, the prehearing conference, the hearing, and the posthearing briefs.

On November 17, 2010, OPC filed a Motion for Commission hearing, asking that the Commission and not an administrative law judge from the Division of Administrative Hearings (DOAH) hear the case. OPC stated our staff suggested that the docket be transferred to DOAH. OPC stated that given the very small size and gross revenues of the Utility, OPC believed it is in the best interest of the Utility and its customers to keep litigation expenses to the absolute minimum, and to find the most cost-effective solution possible to this controversy. OPC argued that assigning this case to DOAH will unnecessarily increase the cost of litigating this dispute.

² <u>See</u> Order Nos. PSC-10-0565-PCO-WU, PSC-10-0566-PCO-WU, PSC-10-0567-PCO-WU, PSC-10-0568-PCO-WU, PSC-10-0569-PCO-WU, PSC-10-0570-PCO-WU, and PSC-10-0571-PCO-WU.

During late 2010 and early 2011, the members of the Commission, including some of the members of the panel, changed. During 2011, our staff assigned to the docket was also temporarily reassigned. Accordingly, OPC's November motion was addressed by Order No. PSC-11-0280-PCO-WU, issued June 23, 2011, and this docket was set for a Prehearing Conference on October 3, 2011, and a hearing on October 13, 2011. By Order No. PSC-11-0351-PCO-WU, issued August 23, 2011, we acknowledged the intervention of OPC.

By Order No. PSC-11-0353-PCO-WU, issued August 23, 2011, all parties to this proceeding were required to attend a Status Conference on September 14, 2011. The purpose of the Status Conference was to discuss the status of settlement negotiations, to discuss the status of discovery, to allow for a preliminary identification of witnesses and issues, to discuss any possible stipulations, and to resolve any other procedural matters.

On September 29, 2011, East Marion, a majority of the intervenors, and OPC on behalf of all ratepayers entered into a Settlement Agreement and filed a Joint Motion to Approve Settlement Agreement. The Settlement Agreement is included in this Order as Attachment A. Intervenors Terry Will and Millicent Mallon did not enter into the Settlement Agreement.

By Order No. PSC-11-0435-PCO-WU, issued September 29, 2011, the Prehearing Conference set for October 3, 2011, and the hearing scheduled for October 13, 2011, were held in abeyance pending our decision on the proposed Settlement Agreement. On October 6, 2011, OPC, Terry Will and Millicent Mallon filed their joint notice of OPC's withdrawal of representation of the individual Intervenor ratepayers Terry Will and Millicent Mallon.

We have jurisdiction pursuant to Section 367.091, Florida Statutes (F.S.).

Settlement Agreement

As stated above, the Joint Motion Seeking Approval of Settlement Agreement was filed on September 29, 2011. East Marion, OPC and every Intervenor that executed the proposed settlement agreement agreed to the following terms and conditions:

1. East Marion shall provide to each Intervenor who executes this Agreement, an irrigation meter, installed as prescribed by the June 16, 2010 Memorandum titled: Settlement of Docket No. 080562-WU, ("grandfather installation") attached hereto as Exhibit "A" and made a part hereof.

2. With regard to Intervenors David and Carol Greco and Joseph M. Singel, East Marion will reinstall their irrigation meters in accordance with the June 16, 2010 Memorandum. With regard to the other Intervenors who execute this Settlement Agreement, East Marion shall provide new irrigation meters in accordance with the June 16, 2010 Memorandum. All of these installations shall be completed on or before 30 days after the issuance of this order approving the Settlement Agreement.

3. Each Intervenor' must pay East Marion a \$70.00 irrigation meter charge prior to the meter being installed. Intervenors David and Carol Greco and Joseph M. Singel have already paid their respective \$70.00 meter installation charge.

4. Each Intervenor agrees to utilize the irrigation meter and pay the minimum monthly irrigation charge approved by the Florida Public Service Commission for a period of no less than 36 months after their respective meter has been installed or reinstalled, or until the Intervenor dies or sells the property being served by the meter, whichever occurs first. However, with respect to Mr. Joseph M. Singel's reinstalled irrigation meter, his 36 months begins after the original installation of his meter.

5. East Marion agrees to issue a credit to David and Carol Greco's water and wastewater bill equal to all of the monthly irrigation charges he has paid to the Utility since his original irrigation meter was installed until the time his irrigation meter is reinstalled in accordance with the June 16, 2010 Memorandum.

6. East Marion, OPC and the Intervenors, who execute this Agreement will file a Joint Motion requesting the Commission issue an order approving the Settlement Agreement.

7. The submission of this Settlement Agreement by the Parties is in the nature of an offer to settle. Consequently, if this Settlement Agreement is not accepted and approved without modification by Commission Order, then this Settlement Agreement is rejected and shall be considered null and void and neither Party may use the attempted agreement in this or any other proceeding.

We find that the Parties' Settlement Agreement is a reasonable resolution because it addresses the protested issues between the Utility, OPC, and each Intervenor that executed this agreement. It is a compromise in which the Utility relinquishes its position that the new irrigation tariff rate applies while the signatories relinquish their termination of service rights under Rule 25-30.325, F.A.C. Further, we find that it is in the public interest for us to approve the Settlement Agreement because it promotes administrative efficiency and avoids the time and expense associated with issues between the Utility, OPC, and every Intervenor that executed this agreement. In keeping with our long-standing practice of encouraging parties to settle contested proceedings whenever possible,³ we approve the Joint Motion Seeking Approval of Settlement Agreement, as set forth in Attachment A.

³ See Order Nos. PSC-10-0299-AS-WU, issued May 10, 2010, in Docket No. 090170-WU, <u>In re: Application for</u> <u>staff-assisted rate case in Lee County by Mobile Manor Water Company, Inc.</u>; PSC-09-0711-AS-WS, issued October 26, 2009, in Docket No. 080249-WS, <u>In re: Application for increase in water and wastewater rates in Pasco</u> <u>County by Labrador Utilities, Inc.</u>; PSC-06-0092-AS-WU, issued February 9, 2006, in Docket No. 000694-WU, <u>In</u> <u>re: Petition by Water Management Services, Inc. for limited proceeding to increase water rates in Franklin County</u>; PSC-05-0956-PAA-SU, issued October 7, 2005, in Docket No. 050540-SU, <u>In re: Settlement offer for possible</u> <u>overearnings in Marion County by BFF Corp.</u>; and PSC-00-0374-S-EI, issued February 22, 2000, in Docket No.

Remaining Intervenors

Intervenors Terry Will and Millicent Mallon did not enter into the Settlement Agreement. On October 6, 2011, OPC, Terry Will and Millicent Mallon filed their joint notice of OPC's withdrawal of representation of the individual Intervenor ratepayers Terry Will and Millicent Mallon.

Pursuant to South Florida Hospital and Healthcare Assoc. v. Jaber, 887 So. 1d 1210 (Fla. 2004), we approved a settlement of a rate proceeding without one party (SFHHA)'s agreement. The Supreme Court affirmed that decision. However, we find that the <u>SFHHA</u> case is distinguishable from this present docket. First in the SFHHA docket, the non-signatory party maintained its right to institute a new rate proceeding and was not bound by the settlement agreement. In the current docket, this will be the intervenors only opportunity to pursue obtaining an irrigation meter at the prior tariffed rate. Second, Rule 25-30.325, F.A.C., entitled "Termination of Service by Customer," states: "A utility may require a customer to give reasonable notice of his or her intention to discontinue service. Until the utility receives such notice, a customer may be held responsible for all service rendered." We find that requiring the two non-signatories to pay the BFC for a 3-year period is in contradiction with a customer's right to terminate his/her service upon giving a utility reasonable notice of the customer's intention to discontinue service.

The remaining non-signatory parties are advised that the maximum relief we will be able to grant either intervenor was that set forth in the original order, an irrigation meter at the cost of \$70. In other words, if either or both Mr. Will or Ms. Mallon is successful in proving that they properly requested a meter, the only advantage they would gain over not signing the settlement agreement is that they will not be obligated to keep the irrigation meter for 3 years. Irrigation meters must pay a base charge of \$9.98. If either party fails to convince us that they properly requested the meter, then they would be obligated to pay for the meter at the new meter installation fee of \$195 and the applicable tap-in fees of \$1,400, \$1,800, and \$2,600 for the short, long, and extra-long irrigation service line installation, respectively.

In addition, because this docket is now limited to two customers, and this is not a service hearing where input from the general body of ratepayers will be sought, the hearing will be held in Tallahassee, Florida rather than in Ocala, Florida. Conducting the hearing in Tallahassee promotes administrative efficiency, and minimizes the costs associated with a hearing.

Furthermore, the Utility is advised that it must bear the burden of proving that Ms. Mallon and Mr. Will did not request a meter. If the Utility is unsuccessful, it will be required to connect the two customers at the \$70.00 fee and any additional costs it incurs will likely not be considered a prudent expenditure. The Utility is hereby notified that it still has the option to withdraw its protest as to Ms. Mallon and Mr. Will. If the Utility's protest is withdrawn, our ruling in Order No. PSC-09-0263-TRF-WU is revived so that Ms. Mallon and Mr. Will may

⁹⁹⁰⁰³⁷⁻EI, In re: Petition of Tampa Electric Company to close Rate Schedules IS-3 and IST-3, and approve new Rate Schedules GSLM-2 and GSLM-3.

obtain an irrigation meter at \$70.00 and the Utility will not incur any additional litigation expense.

We require East Marion, Terry Will, and Millicent Mallon to each affirmatively indicate their intention to proceed with the hearing. East Marion, Terry Will, and Millicent Mallon shall file a written statement in the docket affirming they have read and will abide by Chapters 25-22 and 28-106, F.A.C. and all procedural orders issued in this docket, and that each is prepared to fulfill their obligations as parties or have a qualified representative appear on their behalf. The parties' must file these written statements within 21 days of the date this order is issued. If opposing parties file the written statement, the Prehearing Conference and hearing will be set by the Prehearing Officer.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Settlement Agreement, attached to this Order and made a part hereof by reference, is approved. It is further

ORDERED that East Marion Sanitary Services, Terry Will, and Millicent Mallon shall file a written statement in the docket affirming that they have read and will abide by Chapters 25-22 and 28-106, F.A.C. and all procedural orders issued in this docket, and that each is prepared to fulfill their obligations as parties or have a qualified representative appear on their behalf. It is further

ORDERED that the written statement must be filed with the Commission Clerk within 21 days of the date this Order is issued.

By ORDER of the Florida Public Service Commission this <u>12th</u> day of <u>December</u>, <u>2011</u>.

nn Pri. ANN COLE

Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As to the approval of the Settlement Agreement, any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review in Federal district court pursuant to the Federal Telecommunications Act of 1996, 47 U.S.C. § 252(e)(6).

As to the continuation of the docket for the remaining, non-signatory parties, any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Attachment A, Page 1 of 11

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of amendment to connection/transfer abcots, increase in returned check charge, amendment to miscellaneous service charges, increase in meter installation charges, and imposition of new tap-in fee, in Marion County, by East Marion Sanitary Systems, Inc.

Docket No. 080562-WU

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT is made and entered into this $\angle Z$ day of September, 2011, by and between East Marion Sanitary Systems, Inc. ("East Marion" "Utility" or "Company"), the Office of Public Counsel, ("OPC") on behalf of the general body of ratepsyers of East Marion, and Intervenors David and Carol Greco, Joseph M. Singel, Rosemary Turner, Dennis Smith, Kevin Politte, Millicent Mallon and Terry Will. Each Intervenor signing this agreement is doing so only on their own behalf with regard to their individual claim and request for relief in this docket.

WITNESSETH

WHEREAS, the Public Service Commission issued a Proposed Agency Action Order, No. PSC-09-0263-TRF-WU, ("PAA Order"), which provided in part that East Marion was required to provide an irrigation meter for the prior tariff rate of \$70.00 to those customers who requested an irrigation meter prior to April 7, 2009; and WHEREAS, Bart Marion protested that part of the PAA Order; and

WHEREAS, the Commission provided an opportunity for every customer who desired to document their efforts to request an irrigation meter from East Marion prior to April 7, 2009, to do so to establish their entitlement to receive the irrigation meter at the prior charge of \$70.00; and

WHEREAS, seven customers, David and Carol Greco, Joseph M. Singel, Rosemary Turner, Dennis Smith, Kevin Politic, Millicent Mallon and Terry Will all intervened in this docket and provided prefiled testimony to document their efforts to request an irrigation meter from East Marion prior to April 7, 2009; and

WHBREAS, prior offorts to settle this docket and the seven claims regarding each individual Intervenor's entitlement to an irrigation meter at the prior \$70.00 charge, were not successful, resulting in this matter being set for hearing; and

WHEREAS, in order to avoid the time, expense and uncertainty associated with adversarial litigation, and in keeping with the Commission's long-standing policy and practice of encouraging parties in protested proceedings to settle issues wherever possible. East Marion OPC and each and every intervenor that executes this agreement to bind only themselves to the terms and conditions of this Agreement, hereby enter into this Settlement Agreement and agree as follows:

 Bast Marion shall provide to each Intervenor who executes this Agreement, an irrigation meter, installed as prescribed by the June 16, 2010 Memorandum titled: Settlement of Docket No. 080562-WU, ("grandfather installation") attached hereto as Exhibit "A" and made a part hereof.

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2. With regard to Intervenors David and Carol Greco and Joseph M. Singel, East Marion will reinstall their irrigation meters in accordance with the June 16, 2010 Memorandum. With regard to the other Intervenors who execute this Settlement Agreement, East Marion shall provide new irrigation meters in accordance with the June 16, 2010 Memorandum. All of these installations shall be completed on or before 30 days after the Commission issues and order approving this Settlement Agreement.

3. Each Intervenor must pay East Marion a \$70.00 irrigation meter charge prior to the meter being installed A Intervenors David and Caroi Greco and Joseph M. Single have already paid their respective \$70.00 meter installation charge.

4. Each Intervenor agrees to utilize the irrigation meter and pay the minimum monthly irrigation charge approved by the Florida Public Service Commission for a period of no less than 36 months after their respective meter has been installed or reinstalled, or until the Intervenor dies or sells the property being served by the moter, whichever occurs first. However, with respect to Mr. Joseph M. Singel's reinstalled irrigation meter, his 36 months begins after the original installation of his meter.

5. East Marion agrees to issue a credit to David and Carol Greeo's water and wastewater bill equal to all of the monthly irrigation charges he has paid to the Utility since his original irrigation meter was installed until the time his irrigation meter is reinstalled in accordance with the June 16, 2010 Memorandum.

6. Bast Marion, OPC and the Intervenors, who execute this Agreement will file a Joint Motion requesting the Commission to issue an order approving the Settlement Agreement.

The submission of this Settlement Agreement by the Parties is in the nature of an
offer to settle. Consequently, if this Settlement Agreement is not accepted and approved

Attachment A, Page 4 of 11

without modification by Commission Order, then this Settlement Agreement is rejected and shall be considered null and void and neither Party my use the attempted agreement in this or any other proceeding.

IN WITNESS WHEREOF, the parties hereto have hereunder caused this Settlement Agreement to be executed as of the date and year aforessid, in counterparts, each counterpart to be considered and original.

Respontfully submitted this _____ day of September, 2011.

East Mapior mitary System, Inc. 9-16-2011

Herbert Hein, President

ORDER NO. PSC-11-0566-AS-WU

DOCKET NO. 080562-WU

PAGE 11

Intervenors

Office of Public Counsel

An 9/17/11 B

Stephen C. Reilly Associate Fublic Counsel on Kehalf of the general body B note payers. Expressly not on barrel of any of the Interverors.

David Oreco

Dennis U. Smith

Carol Greco

Kevin Politte

Joseph M. Singel

Rosemary Turner

Millicent Mallon

Terry Will

Attachment A, Page 5 of 11

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By:

Respectfully submitted this _____ day of September, 2011.

East Marion Sanitary System, Inc.

Office of Public Counsel

Ву:____

ORDER NO. PSC-11-0566-AS-WU

DOCKET NO. 080562-WU

PAGE 12

Herbert Hein, President

Intervenors Green

Carol Groco

Joseph M. Singel

Millicent Mallon

Dennis U. Smith

Stephen C. Reilly Associate Public Counsel

Rosemary Turner

Kevin Politte

Terry Will

Attachment A, Page 6 of 11

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By:_

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Stephen C. Reilly

Respectfully submitted this _____ day of September, 2011.

East Marion Sanitary System, Inc.

Office of Public Counsel

Associate Public Counsel

By:

Herbert Hein, President

) Intervenors

David Greco

Dennis U. Smith

Carol Greco Linc 177 Joseph M. Singel

Millioent Mallon

Kevin Politte

Rosemary Turner

Terry Will

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Attachment A, Page 7 of 11

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Respectfully submitted this _____ day of September, 2011.

East Marion Sanitary System, Inc.

Office of Public Counsel

By:____

Herbert Hein, President

Stephon C. Reilly Associate Public Counsel

By:____

Intervenors

David Greco

Dennis U. Smith

Carol Greco

Joseph M. Singel

Kovin Politto Rosenary Turner Rosenary Turner

Millicont Mallon

Torry Will

Attachment A, Page 8 of 11

DOCKET NO. 080562-WIL

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By:_

Respectfully submitted this _____ day of September, 2011.

East Marion Sanitary System, Inc.

Office of Public Counsel

Stephen C. Reilly Associate Public Counsel

Ву:_____

Herbert Hein, President

Intervenors

mis l. Smith Dennis Smith

David Greco

Carol Greco

Kevin Politte

Rosemary Turner

Millicent Mallon

Joseph M. Singel

Terry Will

Attachment A, Page 9 of 11

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By:_

Respectfully submitted this _____ day of September, 2011.

East Marion Sanitary System, Inc.

Office of Public Counsel

By:_____

Herbert Hein, President

Stephen C. Reilly Associate Public Counsel

Intervenors

David Greco

Carol Greco

Joseph M. Singel

Kevin Politie

Rosemary Turner

Millicent Mallon

Terry Will

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Dennis U. Smith

1. 2. 3. 4. 5. 6.

Attachment A, Page 10 of 11

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Exhibit "A" Page 1 of 3

MEMORANDUM

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From:		Stove Reilly
TO;	•	Mr. Herbert Hein Intervenors
DATR		June 16, 2010

SUBJECT: Settlement of Docket No. 080562-WU

Combining the resources and efforts of Dave Greco and Mike Smallridge we have been able to produce a very workable and affordable solution to the problem of providing irrigation meters for the houses of the five Intervenors who did not receive irrigation meters prior to the April 7, 2010 deadline. By selecting the best priced items researched by Dave and Mike we were able to assemble the best prices for the materials, and Mike has graciously offered excellent labor costs to install the new parts and lines. The parts with the "Sunstate" designation are parts provided by Sunstate Meter and Supply, Inc. at wholesale prices arranged by Dave. The remaining parts and labor will be supplied by Mike.

See the attached diagram that depicts the "grandfather" installation. Grandfather, because it is the less costly configuration which uses the existing 1" line that serves two houses rather than the more expensive dedicated line that goes directly to the main.

The breakdown of the materials and labor and their estimated costs are as follows:

	1" Brass "T" fitting	\$ 9.00
•	3/4" - 1" Brass double branch w/ curb stops (Sunstate)	\$ 80,00
•	5/8" x 1/" Senus manual read motor	\$ 41.00
•	Plastic double meter box with lid (Sunstate)	\$ 32.00
•	Miscellaneous schedule 40 drinking water PVC	
•	1"& 4" pipes and fittings	\$16.00
	Labor and installation	\$ 40.00
	Estimated total cost per irrigation installation:	\$ 218.00
	Intervenor payment per prior tariff: Approximate net cost to utility per installation:	<u>\$ -70.00</u> \$ 148.00
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