

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of tariff amendment to include a late payment fee of \$5.25 and establish miscellaneous service charges associated with connection, reconnection, and premises visits for its wastewater operation in Orange County by Pluris Wedgefield, Inc.

DOCKET NO. 100381-WS
ORDER NO. PSC-10-0735-TRF-WS
ISSUED: December 20, 2010

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman
LISA POLAK EDGAR
NATHAN A. SKOP
RONALD A. BRISÉ
EDUARDO E. BALBIS

ORDER APPROVING TARIFFS

BY THE COMMISSION:

BACKGROUND

Pluris Wedgefield, Inc. (Pluris Wedgefield or Utility) is a Class A water and wastewater Utility serving approximately 1,569 water and 1,544 wastewater customers in Orange County. Pluris Wedgefield purchased the Utility in September of 2009 from Wedgefield Utility, Inc. The Utility's 2009 Annual Report indicates that the Utility's operating revenue is \$102,167 and \$70,997 for water and wastewater, respectively which reflect three months of ownership. The Utility is located in the St. Johns River Management District (SJRWMD).

On August 24, 2010, the Utility filed an application for approval of a late payment fee for its water and wastewater operations. The Utility also requested approval of miscellaneous service charges associated with connections, reconnections, and premises visits for its wastewater operation. However, in Order No. PSC-10-0658-PCO-WS, issued November 1, 2010, we suspended the Utility's tariff filing pending further clarification.

On September 14, 2010, our staff sent a data request to Pluris Wedgefield to obtain further clarification regarding its application. The Utility responded to this data request on September 23, 2010.

This order addresses Pluris Wedgefield's request to implement a late payment fee for its water and wastewater operations as well as the Utility's requested approval of miscellaneous service charges associated with connections, reconnections, and premises visits for its wastewater operation. We have jurisdiction pursuant to Section 367.091, Florida Statutes (F.S.).

DOCUMENT NUMBER - DATE

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FPSC-COMMISSION CLERK

MISCELLANEOUS SERVICE CHARGES

Pursuant to Rule 25-30.460, F.A.C., all water and wastewater utilities may apply for miscellaneous service charges. These charges include initial connections, normal reconnections, violation connections, and premises visit charges. Currently, the Utility is only charging miscellaneous service charges for its water operation. We approved these charges in Order No. PSC-08-0827-PAA-WS, issued on December 22, 2008, in Docket No. 070694-WS. Furthermore, Order No. PSC-09-0610-FOF-WS, issued September 8, 2009, authorized the Utility to continue the same rates and charges when the Utility transferred its assets and certificates from Wedgefield Utilities, Inc. to Pluris Wedgefield, Inc. The previous owners did not have a wastewater tariff for miscellaneous service charges. The Utility has indicated that it simply proceeded with the tariffs that were already in place when it acquired the system. For this reason, the Utility has not performed or charged any of its wastewater customers for any of the miscellaneous services.

As required by Section 367.091, F.S., Pluris Wedgefield, Inc. provided a cost justification below for its requested miscellaneous charges for its wastewater operation. The Utility is proposing that the expenses associated with connections, reconnections, and premises visits during business and after hours is \$21.00 and \$42.00, respectively.

Miscellaneous Service Charges

<u>During Business Hours</u>		<u>After Hours</u>	
Item:	Cost:	Item:	Cost:
Labor (\$23.00/hr. X 0.6 hours)	\$13.80	Labor (\$23/hr. X 1.5 X 1 hour) ¹	\$34.50
Transportation	<u>7.00</u>	Transportation	<u>7.00</u>
Total	<u>\$20.80</u>	Total	<u>\$41.50</u>

As indicated above, the Utility's proposed miscellaneous service charges are based on the hourly rate of the contractor and transportation costs. We find that the proposed charges are cost-based, reasonable, and consistent with fees we have approved for other utilities.² Furthermore, we approved similar cost estimates and miscellaneous service charges for the Utility's water system by Order No. PSC-08-0827-PAA-WS, issued December 22, 2008. Based on the above, we find that the Utility's proposed miscellaneous service charges shall be approved so that the Utility is able to recover the current costs of performing these services. Within five days after the notice is given, the Utility shall be required to file an affidavit affirming that the notice has been given to customers of the approved charges. The tariff sheets containing the approved miscellaneous service charges shall become effective for services rendered on or after

¹ Represents time-and-a-half wage and the longer time it takes an employee to get to the customer's property after hours.

² See Order Nos. PSC-08-0827-PAA-WS, issued December 22, 2008, in Docket No. 070694-WS, In re: Application for increase in water and wastewater rates in Orange County by Wedgefield Utilities, Inc.; and PSC-08-0812-PAA-WS, issued December 16, 2008, in Docket No. 070695-WS, In re: Application for increase in water and wastewater rates in Martin County by Miles Grant Water and Sewer Company.

the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, Florida Administrative Code (F.A.C.).

LATE PAYMENT CHARGE

Section 367.091, F.S., authorizes us to establish, increase, or change a rate or charge other than monthly rates or services availability charges. The Utility has requested a \$5.25 late payment charge. The Utility's request for a late payment charge was accompanied by its reason for requesting the charges, as well as the cost justification required by Section 367.091, F.S. The Utility provided the following computations as justification for its request:

\$2.25	Office personnel time to search accounts to determine that the bill has not been paid.
\$2.50	Prepare, print and sort notices for mailing and transport to the post office.
\$0.44	Postage (proposed to be raised to \$0.46 in January 2011)
<u>\$0.05</u>	Envelope and supplies
\$5.24	

As shown above, the Utility provided documentation showing that it incurs a cost of \$5.24 per late account. The purpose of a late payment charge is not only to provide an incentive for customers to make timely payments, thereby reducing the number of delinquent accounts, but also to place the cost burden of processing such delinquencies solely upon those who are the cost causers.

Based on the above, we find that Pluris Wedgefield's proposed late payment charge shall be approved. The charges shall be effective for services rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Pluris Wedgefield, Inc.'s proposed miscellaneous service charges shall be approved so that the Utility is able to recover the current costs of performing these services. It is further

ORDERED that within five days after the notice is given, Pluris Wedgefield, Inc. shall be required to file an affidavit affirming that the notice has been given to customers of the approved charges. The tariff sheets containing the approved miscellaneous service charges shall become effective for services rendered on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, Florida Administrative Code. It is further

ORDERED that Pluris Wedgefield Inc.'s proposed late payment charge shall be approved as set forth herein. The charges shall be effective for services rendered on or after the stamped

approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that the docket shall remain open pending our staff's verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by our staff. It is further

ORDERED that if a protest is filed within 21 days of the issuance date of this order, the tariffs shall remain in the effect with all increased charges held subject to refund pending resolution of the protest, and the docket shall remain open. It is further

ORDERED that if no timely protest is filed, a consummating order shall be issued and, once our staff verifies that the notice of the change in miscellaneous service charges and late payment fee has been given to customers, the docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 20th day of December, 2010.

ANN COLE
Commission Clerk

By: 
Dorothy E. Menasco
Chief Deputy Commission Clerk

(SEAL)

CMK

NOTICE OF FURTHER PROCEEDINGS

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.

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.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 10, 2011.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.