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September 26, 2007

Jared Deason  
Economic Regulation  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Windstream Utilities Company; PSC Docket No. 070377-WU  
Meter Installation Customer Deposits Tariff Change  
Our File No. 26067.01

Dear Jared:

In response to your letter dated August 31, 2007, please see the following answers:

**Initial Connection and Normal Reconnection**

- 1. On the Initial Connection and Normal Reconnection cost justification spreadsheet for Normal Hours and After Hours under the heading Clerical & Administrative Labor; please provide a detailed explanation of the duties and responsibilities performed by the Administrative Manager that would justify the inclusion of the labor cost of \$799.47 a week.**

Utility Response - The Administrative Manager is charged only 1/4 of an hour for this function. The Administrative Manager's duties with relation to this task include assigning tasks to clerk and field personnel and following up to assure completion and proper recording and charging for services. It is unclear what is meant by "justify the inclusion of labor costs." Since this is fully loaded labor this is a salary of less than \$40,000 a year, which is

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very reasonable for an Administrative Manager. The Administrative Manager's other recurring regulator duties include:

- a. Assisting in preparing and processing all billing to customers, including past due/disconnect notices
- b. Oversees clerk in setting up new accounts and transferring of accounts
- c. Oversees clerk in processing of all customer payments
- d. Responds to all customers complaints
- e. Receiving and processing all payables for the company
- f. Reconciling the books each month for the accountant
- g. Invoicing new commercial and residential jobs

2. **On the Initial Connection and Normal Reconnection cost justification spreadsheet for Normal Hours and After Hours under the heading Labor to Inspect Facilities and Connect; please provide a detailed explanation of the duties and responsibilities performed by the Manager that would justify the inclusion of the labor cost of \$380 a week.**

Utility Response - The Field Manager is charged only 1/4 of an hour for this function. The Field Manager's duties with relation to this task include travel to the location where service is required, overseeing the connections or reconnections with other field personnel and assisting in making those connections or reconnections and return travel. It is unclear what is meant by "justify the inclusion of labor cost of \$380 a week." \$380 a week is less than \$10 per hour and is a very low pay rate for a Field Manager's fully loaded salary. The Field Manager's regular recurring duties include:

- a. Oversees all field operations
- b. Oversees the complaints and directs the appropriate person to handle the situation
- c. Make decision to repair or replace any and all equipment
- d. Greatly aids in all maintenance schedules
- e. Accepts full responsibility for day to day operations of the water systems

3. **On the Initial Connection and Normal Reconnection cost justification spreadsheet for After Hours under the heading Clerical & Administrative Labor; please provide a detailed explanation of the clerical labor performed that would justify the labor cost multiplied by 1.5.**

Utility Response - The office labor is charged only 1/4 hour for this function. The Office Clerk's duties with relation to this task are the same as those under normal hours for this function, which include taking the request, filling out work orders, booking time information related to field personnel, assigning field personnel, discussion with the field personnel regarding results of initial connection or normal reconnection, booking of proper revenue and expenses. It is unclear what is meant by "justify the inclusion of labor costs." This is fully loaded labor costs for an Office Clerk. The Office Clerk, like all employees, is charged at a rate of time and a half (1.5) starting after 4:30 p.m. on weekdays and on weekends.

4. **Staff suggests the following revision to the Premises Visit Charge portion of the First Revised Sheet No. 17.0 to the following:**

**PREMISES VISIT CHARGE** - This charge is levied when a service representative visits a premises at a customer's request for a complaint resolution or for other purposes and the problem is found to be the customer's responsibility.

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

Utility Response - We agree to the staff's suggestion

5. **On the Premises Visit cost justification spreadsheet for Normal Hours and After Hours under the heading Clerical & Administrative Labor; please provide a detailed explanation of the duties and responsibilities performed by the Administrative Manager that would justify the inclusion of the labor cost of \$799.47 a week.**

Utility Response - The Administrative Manager is charged only 1/4 of an hour for this function. The Administrative Manager's duties with relation to this task include assigning tasks to clerk and field personnel and following up to assure completion and proper recording and charging for services. It is unclear what is meant by "justify the inclusion of labor costs." Since this is fully loaded labor this is a salary of less than \$40,000 a year, which is very reasonable for an Administrative Manager. The Administrative Manager's regular recurring duties include:

- a. Assisting in preparing and processing all billing to customers, including past due/disconnect notices
- b. Oversees clerk in setting up new accounts and transferring of accounts
- c. Oversees clerk in processing of all customer payments
- d. Responds to all customers complaints
- e. Receiving and processing all payables for the company
- f. Reconciling the books each month for the accountant
- g. Invoicing new commercial and residential jobs

**6. On the Premises Visit cost justification spreadsheet for Normal Hours and After Hours under the heading Labor to Inspect Facilities and Connect; please provide a detailed explanation of the duties and responsibilities performed by the Manager that would justify the inclusion of the labor cost of \$380 a week.**

Utility Response - The Field Manager's duties with relation to this task include travel to the location where service is required, overseeing the inspection and maintenance performed with other field personnel and assisting in making those inspections and maintenance and return travel. It is unclear what is meant by "justify the inclusion of labor cost of \$380 a week." \$380 a week is less than \$10 per hour and is a very low pay rate for a Field Manager's fully loaded salary. The Field Manager, like all employees, is charged at a rate of time and a half (1.5) after 4:30 p.m. on weekdays and on weekends. The Field Manager's regular duties include:

- a. Oversees all field operations
- b. Oversees the complaints and directs the appropriate person to handle the situation
- c. Make decision to repair or replace any and all equipment
- d. Greatly aids in all maintenance schedules
- e. Accepts full responsibility for day to day operations of the water systems

**7. On the Premises Visit cost justification spreadsheet for After Hours under the heading Clerical & Administrative Labor; please provide a detailed explanation of the clerical labor performed that would justify the labor cost multiplied by 1.5.**

Utility Response - The office labor is charged only 1/4 hour for this function. The Office Clerk's duties with relation to this task are the same as those under normal hours for this function, which include taking the request, filling out work orders, booking time information

related to field personnel, assigning field personnel, discussion with the field personnel regarding results of initial connection or normal reconnection, booking of proper revenue and expenses. It is unclear what is meant by "justify the inclusion of labor costs." This is fully loaded labor costs for an Office Clerk. The Office Clerk, like all employees, is charged at a rate of time and a half (1.5) starting after 4:30 p.m. on weekdays and on weekends.

**8. Your August 28, 2007 letter states that Windstream Utilities had 132 premises visits during normal hours for the preceding 12 months. Please provide a breakdown of those visits to include the following:**

- (a) Of the 132 visits during normal hours, how many visits resulted in the problem being found to be the customer's responsibility?**
- (b) Of the 132 visits during normal hours, how many visits resulted in the problem being found to be the utility's responsibility?**
- (c) Of the 132 visits during normal hours, how many visits were for the purpose of disconnecting service for nonpayment of a due bill?**

Utility Response - The Utility has reviewed the original calculation of 132 premises visits for the preceding 12 months, which was provided with my letter of August 28, 2007. They have now determined that number was in error. It included a substantial number of normal connections and normal reconnections. This should not have been part of that total for "premises visits." The total is instead 55 premises visits during the preceding 12 months. The following are responses to the 3 sub questions related to those 55:

- a. Customer's Responsibility - 20
- b. Utility's Responsibility - 35 (Not charged)
- c. Disconnection of Service for Nonpayment – This is not really a premises visit charge and therefore, is not included in the 55 outlined above.

**9. Your August 28, 2007 letter states that Windstream Utilities had 12 premises visits during after hours for the preceding 12 months. Please provide a breakdown of those visits to include the following:**

- (a) Of the 12 visits during after hours, how many visits resulted in the problem being found to be the customer's responsibility?**
- (b) Of the 12 visits during after hours, how many visits resulted in the problem being found to be the utility's responsibility?**
- (c) Of the 12 visits during after hours, how many visits were for the purpose of disconnecting service for nonpayment of a due bill?**

Utility Response - This is a breakdown of the After Hours Premises Visits:

- a. Customer's Responsibility - 9
- b. Utility's Responsibility - 3 Not charged
- c. Disconnection of Service for Nonpayment (Reconnects) - 32

Note: Of the 12 After Hours premises visits we did not include Disconnection for Nonpayment only Service calls and Customer requests for Reads and Disconnects.

### **Late Payment Charge**

- 10. On the Late Payments cost justification spreadsheet under the heading Clerical & Administrative Labor, please provide a detailed explanation of the duties and responsibilities performed by the Administrative Manager that would justify the inclusion of the labor cost of \$799.47 a week.**

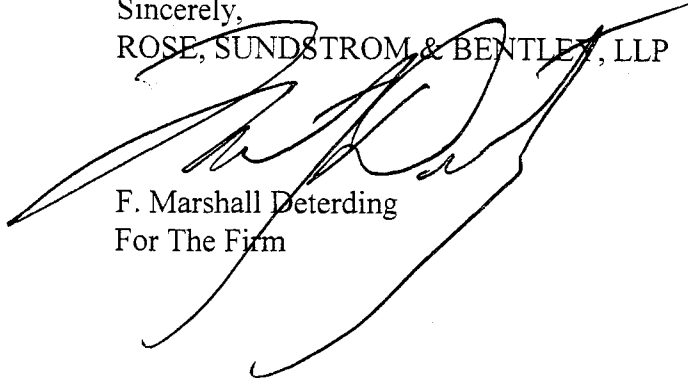
Utility Response - The Administrative Manager is charged only 1/4 of an hour for this function. The Administrative Manager's duties with relation to this task include assigning tasks to clerk and following up to assure completion and proper recording and charging for services and payments. It is unclear what is meant by "justify the inclusion of labor costs." Since this is fully loaded labor this is a salary of less than \$40,000 a year, which is low for an Administrative Manager. The Administrative Manager's regular recurring duties with relation to this task include:

- a. Assisting in preparing and processing all billing to customers, including past due/disconnect notices
- b. Oversees clerk in setting up new accounts and transferring of accounts
- c. Oversees clerk in processing of all customer payments
- d. Responds to all customers complaints
- e. Receiving and processing all payables for the company
- f. Reconciling the books each month for the accountant
- g. Invoicing new commercial and residential jobs

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If you have any questions in this regard, or need any further information, please do not hesitate to contact me.

Sincerely,  
ROSE, SUNDSTROM & BENTLEY, LLP

A large, stylized handwritten signature in black ink, appearing to read 'F. Marshall Deterding', is written over the typed name and firm name.

F. Marshall Deterding  
For The Firm

FMD/tms

cc: Ann Cole  
Ralph Jaeger, Esq.  
Troy Rendell  
L.E. Butch Dlouhy