

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** January 13, 2014  
**TO:** Carlotta Stauffer, Commission Clerk, Office of Commission Clerk  
**FROM:** Kelly J. Thompson, Public Utility Analyst II, Division of Economics *KJ*  
**RE:** Docket No. 130288-WS Request for approval of late payment charge in Brevard County by Aquarina Utilities, Inc.

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Please place the attached document, dated January 9, 2014, in the docket file referenced above.

RECEIVED-FPSC  
14 JAN 13 PM 3:55  
COMMISSION  
CLERK

## **Aquarina Utilities, Inc.**

P.O. Box 308  
Jensen Beach, Florida 34958  
(772) 405-8090 (office)  
(772) 708-7946 (mobile)  
[aquarinautilities@bellsouth.net](mailto:aquarinautilities@bellsouth.net)

9 January 2014

**Mr. Bart Fletcher**  
**Division of Accounting and Finance**  
**Florida Public Service Commission**  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

Reference: Amendment of Miscellaneous Service Charges  
Request For Late Fee  
Aquarina Utilities, Inc. (WS949)

Dear Mr. Fletcher,

We respectfully request the following change be made to the water and wastewater tariff sheets for Aquarina Utilities, Inc. (PSC WS949):

A late fee be added to the "Miscellaneous Service Charges" in the amount of \$5.00 for all accounts (water, sewer, and irrigation) including residential, commercial, miscellaneous service, multiple family, and flat-rate sewer classifications of service. This fee is to be applied to all accounts delinquent as of the 21<sup>st</sup> day of the billing cycle, following the billing date.

This fee is specifically requested to offset the expense incurred in collecting the large numbers of routinely delinquent accounts, roughly 10-15% of our 411 customer accounts. A sampling of our aged balances reports has been included to illustrate the number of delinquent accounts, usually between 40 and 70 of 411 accounts (10 - 17%) on the day after payments were due. This amount is reduced to about 20-25 out of 411 accounts by the fifth day after accounts are due (5-6%). Using even the lowest number of delinquent accounts, as we normally give customers three to five days grace period before issuing cut-off notices, we estimate 20 notices issued each month. The expense of these notices is detailed in the following table. It is reasonable to request a late fee of \$7.00 per delinquent account to offset the cost of these notices and to discourage the tardiness of all

accounts, acknowledging that delinquent accounts adversely affect utility cash flow and interrupt efficient operations.

**Detail of Costs Related to Distribution of Cut-Off or Delinquency Notices:**

Cost per Notice (based on 20 notices per month)	Item
\$0.10	Envelopes
\$0.02	Paper
\$0.05	Ink
\$0.46	Postage
\$0.10	PSC llier
\$7.00	4hr/mo @ \$35.00/hr Manhours in researching, compilation, duplication, production of cut-off notices
\$7.73 Total Cost per notice	

Corrected copies of the Aquarina Utilities, Inc. tariff sheets detailing Miscellaneous Service Charges are included for your approval. Please let us know if any additional information or corrections are needed.

Many thanks,



Holly Burge  
Account Manager; Aquarina Utilities, Inc.