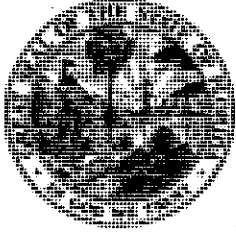


State of Florida



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-

DATE: March 25, 2015
TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Ana Ortega, Public Utility Analyst III, Division of Economics *AO*
RE: Docket Nos. 150055-WS; 150056-WU; 150057-WS; 150058-WU; 150059
WU; 150060-WS; 150061-WS; 150062-WU; 150063-WS; 150064-WS; 150065-
WU; 150066-WS; and 150067-WU

Please include the attached e-mail correspondence into the above reference docket files. The attached are responses to staff's request for information.

Ana Ortega

From: Ana Ortega
Sent: Wednesday, March 25, 2015 10:03 AM
To: 'Troy Rendell'
Cc: Shannon Hudson; Patti Daniel
Subject: RE: U.S. Water Tariff filings--Additional Questions

Thank you Troy for the additional information. I will include this e-mail correspondence into the appropriate docket files.

Thanks and have a great day!

Ana

Ana Ortega
Public Utility Analyst III
Division of Economics

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Phone: (850) 413-6435
Fax: (850) 413-6436

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Troy Rendell [mailto:trendell@uswatercorp.net]
Sent: Monday, March 23, 2015 11:32 AM
To: Ana Ortega
Cc: Shannon Hudson; Patti Daniel
Subject: RE: U.S. Water Tariff filings--Additional Questions

We currently have an account for the online accounts. However, TD Bank requires a separate account to be set up for the telephonic payments. The current charges include the monthly fee we are currently paying. I took out the current \$19.95/month fee for the online account from the costs for telephonic. Our costs are very similar, however I added back in the additional account that is required for the telephonic payments. Here are the costs:

Online Credit Card Fees

Bank and Credit Card Company Fee:	\$	1.60
I-Transact gateway Fee per Transaction (Opus21):	\$	0.60
Accounting (1 hr month/\$28.85 hr)	\$	0.09
Clerical CSR (1 hr month/\$28.00 hr)	\$	0.09
Total:	\$	<u>2.38</u>

Telephonic Credit Card Fees

Bank and Credit Card Company Fee:	\$	1.54
Telephonic processing fee (TD Bank):	\$	0.10
Authorization fee (TD Bank):	\$	0.05
Monthly telephonic account fee: (\$19.95x13/3,988)	\$	0.07
Accounting (1 hr month/\$28.85 hr)	\$	0.09
Clerical CSR (1 hr month/\$28.00 hr)	\$	0.09
Total:	\$	<u>1.94</u>

As to your second question – I’m not sure what you are asking. Two separate companies actually process these transactions. Opus21 processes the online credit card payments using I-Transact which is the middle ware for Citizen Access to communicate to First Data. That is only for the online transactions.

TD Bank will process the telephonic payments utilizing Authorize net. They are only processing the telephonic payments. But all payment receipts and all charges are by T.D. Bank into one account. When payments are made they are all deposited into one account and all charges go through that one account.

I stated that TD Bank will charge the convenience fees.

Late Friday afternoon I was able to confirm that we would be able to receive reports that delineates between telephonic and online payments. So we could have two separate charges.

From: Ana Ortega [<mailto:AOrtega@PSC.STATE.FL.US>]
Sent: Friday, March 20, 2015 2:38 PM
To: trendell@uswatercorp.net
Cc: Shannon Hudson; Patti Daniel
Subject: U.S. Water Tariff filings--Additional Questions

Hi Troy,

As a follow-up to our phone conversation, the table below are the charges that I can see as the difference between online payments and telephone payments. If a customer wanted to make a payment by phone, they would appear to be causing a \$1.93 charge for processing. Conversely, the online payment would cause \$2.38 in costs. Am I understanding the information in the filing correctly?

<u>Online Convenience Fee</u>		<u>Telephonic Convenience Fee</u>	
Bank and Credit Card Company Fee	\$ 1.60	Bank and Credit Card Company Fee	
I-Transact gateway fee per transaction (Opus 21)	\$ 0.60	Telephonic processing fee (TD Bank)	
Accounting (1 hr mth/ \$28.85 hr)	\$ 0.09	Authorization fee (TD Bank)	
Clerical CSR (1 hr mth/\$28.00 hr)	\$ 0.09	Accounting (1 hr mth/ \$28.85 hr)	
Total Fee	\$ 2.38	Clerical CSR (1 hr mth/\$28.00 hr)	
		Total Fee	

My understanding from our conversation is that the report U.S. Water receives monthly does not identify weather a payment was made online or via telephone, so that is what you mean by “be impossible to reconcile the convenience fees by method of payment.” However, as I understand your previous e-mail, there are certain vendors (that TD bank uses) that provide services for either telephone or online payments. Is that correct?

Thanks in advance for the additional information.

Ana

From: Troy Rendell [mailto:trendell@uswatercorp.net]
Sent: Thursday, March 19, 2015 10:54 AM
To: Ana Ortega
Cc: Shannon Hudson; Patti Daniel
Subject: RE: U.S. Water Tariff filings--Additional Questions

See responses below:

1. When reconciling the appropriate charges and fees, the accountant receives a report from the billing vendor, Opus21, which indicates the number of credit card transactions. This report will not differentiate whether the credit card payment was made via the internet or telephone. Thus, it would virtually be impossible to reconcile the convenience fees by method of payment. The bank and credit card charges will be the same regardless of method of payment. The proposed charges reflect pass through costs to the utility with no mark up or profit included.
2. That is correct. These are additional expenses which recently have been incurred beginning 2014. These expenses are not currently included in the contracted services. The Clerical CSR expenses will be incurred prospectively once the telephonic payments are implemented. The reconciliation of charges to the respective utility's miscellaneous revenues will also be prospective once the charges are approved by the Commission, thus these will be new expenses not previously incurred.

From: Ana Ortega [mailto:AOrtega@PSC.STATE.FL.US]
Sent: Thursday, March 19, 2015 9:18 AM
To: trendell@uswatercorp.net
Cc: Shannon Hudson; Patti Daniel
Subject: U.S. Water Tariff filings--Additional Questions

Hi Troy,

I have two additional questions regarding the tariff filings for U.S. Water's regulated utilities.

1. It appears that you can delineate the different cost between online payments and payments made over the telephone. Did U.S. Water consider requesting separate charges for credit/debit card payments, one for web-based payments and one for telephonic payments? If not, can you explain the thought process behind having a combined charge?
2. I would like to confirm that the \$0.09 per transaction charge for the Clerical CSR employee and the \$0.09 per transaction charge for the Accountant are additional duties that are not currently covered under their contracted services.

If you could respond by close of business on March 23, that would help keep the processing of these dockets moving.

Thanks in advance!
Ana

From: Ana Ortega
Sent: Tuesday, March 10, 2015 10:51 AM
To: 'Troy Rendell'
Cc: Shannon Hudson; Patti Daniel
Subject: RE: U.S. Water Tariff filings

Thank you Troy for the additional information. I will include this e-mail correspondence into the appropriate docket files.

Thanks and have a great day!

Ana

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From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Wednesday, March 04, 2015 11:38 AM
To: Ana Ortega
Cc: Shannon Hudson; Patti Daniel
Subject: RE: U.S. Water Tariff filings

TD Bank utilizes two different separate merchants. One for online payments and the other for telephone credit card payments.

The bank will be utilizing Authorize.net for telephone payments. They utilize First Data/Omaha for the online payments. This is the reason for two separate merchant agreements.

i-Transact is the middle ware for Citizen Access to communicate to First Data for online payments currently being made. This is not required for the Authorize.net terminal transactions used for telephone payments.

Thanks,
Troy

From: Ana Ortega [<mailto:AOrtega@PSC.STATE.FL.US>]
Sent: Friday, February 27, 2015 8:16 AM
To: 'trendell@uswatercorp.net'
Cc: Shannon Hudson; Patti Daniel
Subject: RE: U.S. Water Tariff filings

Good Morning Troy,

It was a pleasure to speak with you yesterday regarding the recent tariff filings for U.S. Water's regulated utilities.

From our conversation, I understand the requested \$0.10 per transaction charge for "Telephonic processing fee (TD Bank)" is related to the electronic processing and authorization of the payments received over the phone. Please confirm that is in fact the purpose of the transaction charge.

As a follow-up, I have a question regarding the \$0.07 per transaction charge associated with the second Merchant Services account requested to process telephonic payments. Per the submitted letter from TD Bank dated January 15, 2015, one of the features listed as a benefit of the Merchant Services account is to "enter telephone and mail orders through the included Virtual Terminal." Since the company already has a Merchant Services account for the online processing of credit card payments, can you briefly explain the necessity of the additional account?

Thank you in advance for the additional details. Also, please respond to this e-mail by close of business on March 6 to ensure timely processing of these dockets.

Thanks and have a great day!

Ana

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