

Brevard Waterworks, Inc.

April 13, 2015

Office of Commission Clerk
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Re: Docket No. 140186-WU – Application of Brevard Waterworks, Inc. for staff assisted rate case in Brevard County – Response to Customer Meeting and Rate Case Expense

Dear Commission Clerk,

Brevard Waterworks, Inc. (BWW) submits its response to the customer meeting held in the above reference docket on April 9, 2015. Four people attended and gave comments representing three customer connections.

One customer offered testimony concerning his water pressure at his house. He is located at the beginning of the distribution system. Subsequent to the customer meeting, Brevard Waterworks sent out the operator to test the customer's pressure. On April 10, 2015 at 10:15 a.m., the customer had 50 psi at his outside spigot. The operator opened a second spigot and the pressure dropped to 40 psi. The operator checked the curb stop and found it to be fully open and checked for leaks and none found. The operator left a door tag explaining what was done since the customer was not at home. FDEP requires a minimum of 20 psi in the distribution system. The same customer referenced the hiring of "day laborers" or "Spanish speaking" people. Brevard Waterworks contracts all operations and maintenance through U.S. Water Services Corporation and utilizes licensed operators and maintenance technicians. Brevard Waterworks is unaware of the situation which the customer referenced.

One customer questioned her usage billing. She indicated that she conserves water and is rarely billed for consumption, then she will receive a bill with 1,000 gallons of water usage. Brevard Waterworks bills consumption based on 1,000 gallons used. The usage is only billed when it reaches the next thousand gallon increment. Therefore, if the customer consumes 300, 500, or 750 gallons – they are not billed for consumption that month. The water meter registers gallons on a continual accumulated basis. When a customer's usage reaches the 1,000 threshold, they will then be billed for that thousand gallon usage.

The next two customers who spoke were a married couple representing one customer connection. They both offered comments on the quality of the water, specifically the color of the water. Brevard Waterworks purchases its water from Brevard County. As previously indicated in correspondences, numerous service lines in the Oakwood subdivision consist of galvanized iron. These service pipes build up with sediment on the inside, making the inside diameter of the pipe smaller and smaller over time, eventually to the point where water flow is unusable. These pipes also corrode at the joints, which can lead to leaks. Galvanized steel pipe was often used for water supply piping in homes until the early 1970s. It is rarely used today because corrosion problems limit its useful lifespan to between 40 and, at best, 50 years. Rust-corrosion accumulates inside the pipe and causes a plumbing version of arteriosclerosis, with the gradual hardening-of-the-arteries narrowing the diameter of the pipe in

Brevard Waterworks, Inc.
April 13, 2015
Response to Customer Meeting & Rate Case Expense

horizontal runs to the size of a soda-straw in places. Essentially, it rusts from the inside out. This restricts the flow of water to faucets and showers and, eventually, the corrosion causes the pipe to spring leaks. The "yellow" colored water is consistent with the iron corrosion in the service lines. As previously discussed, to replace all of the distribution lines and services is cost-prohibitive at this point in time due to the economic impact it would place upon the customers.

According to the Document No. **06030-14**, there have been no customer complaints received by the Florida Department of Environmental Protection for Brevard Waterworks.

These customers also gave comments concerning paying the fixed base facility charge (BFC) while not in residence for 6 months of the year. As explained by the PSC staff, these are charges required to recover the fixed costs whether the residence are present or not. Pursuant to Rule 25-30.335(8), Florida Administrative Code, "If a utility utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the utility shall bill the customer the base facility charge regardless of whether there is any usage."

Rate Case Expense:

Please find attached documentation related to rate case expense in conjunction with the travel to the (a) customer meeting; and (b) agenda conference.

If you have any additional questions or concerns, please do not hesitate to contact me at (727) 848-8292, ext. 245.

Sincerely,

A handwritten signature in black ink, appearing to read "Troy Rendell". The signature is fluid and cursive, with a large initial "T" and "R".

Troy Rendell
Manager of Regulated Utilities
// for Brevard Waterworks, Inc.

Cc: Office of Public Counsel

Brevard Waterworks, Inc.

Docket No. 140186-WU

<u>Customers</u>	<u>Envelopes</u>	<u>Postage</u>	<u>Printing</u>	<u>Total</u>
239	\$ 0.05	\$ 0.50	\$ 0.50	
	\$ 11.95	\$ 119.50	\$ 119.50	\$ 250.95

Customer Meeting Notice				\$ 250.95
Final Tariff Rate Notice				\$ 250.95
Total				\$ 501.90



HAMPTON INN TITUSVILLE, 4760 HELEN HAUSER BLVD
 TITUSVILLE, FL 32780
 TELEPHONE 321-383-9191 FAX (321) 383-9166



Official Hotel Partner

RENDELL, WILLIAM
 1522 SWAMP ROSE LN
 TRINITY, FL 34655
 US

name
 address

room number: 425/NQRUG
 arrival date: 4/9/2015 1:43:00PM
 departure date: 4/10/2015
 adult/child: 1/0
 room rate: \$103.55

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.

RATE PLAN S-AAA

Confirmation: 80783444

4/10/2015 PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here:

signature:

date	reference	description	amount
4/9/2015	605246	GUEST ROOM	\$103.55
4/9/2015	605246	SALES TAX-ROOM	\$6.73
4/9/2015	605246	COUNTY BED TAX	\$5.18
		WILL BE SETTLED TO VS [REDACTED]	\$115.46
		EFFECTIVE BALANCE OF	\$0.00
ESTIMATED CURRENCY TOTAL			

Hilton HHonors(R) stays are posted within 72 hours of checkout. To check your earnings or book your next stay at more than 3,900 hotels and resorts in 91 countries, please visit HHonors.com.

Hampton hotels are all over the world. Find us in Canada, Costa Rica, Ecuador, Germany, India, Mexico, Poland, Turkey, United Kingdom, and United States of America. Coming soon in Italy and Romania.

for reservations call 1.800.hampton or visit us online at hampton.com

thanks.

account no.	date of charge	folio/check no.
		208212 A
card member name	authorization	initial
establishment no. and location	purchases & services	
	taxes	
	tips & misc.	
signature of card member	total amount	0.00
X		





Holiday Inn

04-10-15

Ronald Derossett [Redacted] [Redacted] United States	Folio No. : A/R Number : Group Code : Company : Membership No. : PC [Redacted] Invoice No. :	Room No. : 532 Arrival : 04-09-15 Departure : 04-10-15 Conf. No. : 66052068 Rate Code : IDARP Page No. : 1 of 1
---	--	--

Date	Description	Charges	Credits
04-09-15	*Accommodation	125.99	
04-09-15	State Tax	8.19	
04-09-15	Occupancy Tax	6.30	
04-09-15	Environmental Fee	2.00	
04-10-15	Visa		142.48
Total		142.48	142.48
Balance		0.00	

Thank you for staying with us! Qualifying points for this stay will automatically be credited to your account. Please tell us about your stay by writing a review here - www.ihg.com/reviews. We look forward to welcoming you back soon.

Guest Signature: 

I have received the goods and / or services in the amount shown heron. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company, or associate fails to pay for any part or the full amount of these charges. If a credit card charge, I further agree to perform the obligations set forth in the cardholder's agreement with the issuer.

BWW # 706-01
PSC nly

Courtyard Tallahassee Capital

1018 Apalachee Parkway

Tallahassee, FL 32301

USA

Phone: +1-850-222-8822

Confirmation Number: [REDACTED]

Thank you for your reservation. Your reservation is guaranteed to your Visa card.

An email with this information has been sent to TRENDELL@USWATERCORP.NET. We look forward to greeting you.

Your Stay [REDACTED] Monday, July 20, 2015, Tuesday, July 21, 2015, 1 rooms, 1 guests/room.

Room(s) Guest room, 1 King, Sofa bed. 1 night at 89.00 USD. 100.12 USD (incl. est. taxes) total.

Room Preferences Not Guaranteed: Extra Towels, Extra Foam Pillows, High Floor Room.
Please Note: Qualifying Rate ID Required.

Guest Information William Rendell, TRENDELL@USWATERCORP.NET, Visa ***** [REDACTED]

Summary of Charges

Summary of Room Charges

	Cost per night per room (USD)
Monday, July 20, 2015 - Tuesday, July 21, 2015 (1 night , AAA rate, AAA membership card required, limited to 2 rooms per card member)	89.00
Estimated government taxes and fees	11.12
Total for stay (per room)	100.12

⊕ Additional Charges

Rate Rules

AAA rate, AAA membership card required, limited to 2 rooms per card member

Additional Information

American Auto Association rate

- Available to AAA members only.
- Limit of two rooms per AAA member per night.