

Collin Roehner

From: Office of Commissioner Brown
Sent: Monday, November 14, 2016 4:36 PM
To: Commissioner Correspondence
Subject: FW: Water Conservation and Utilities, Inc. Rate Increase Request Docket 160101-WS
Attachments: PSC (2).doc; ATT00001.htm

Please place the attached in Docket Correspondence, Consumers and their Representatives, in Docket No. 160101-WS.

From: Bill [<mailto:wshallcross@cfl.rr.com>]
Sent: Thursday, November 10, 2016 10:13 AM
To: Office of Commissioner Brown
Subject: Water Conservation and Utilities, Inc. Rate Increase Request Docket 160101-WS

Thank you for reading. Bill

Sent from iPhone

William Shallcross Jr.
551 Carlisle Ave.
Altamonte Springs FL 32714
321-356-6400

WILLIAM SHALLCROSS JR.

“Today, Utilities, Inc. is backed by a private equity owner with extensive capital to fuel the company’s continued growth. Utilities, Inc. has long believed that strong financial investment backing is the best approach for the company’s solid operational stability and outstanding customer satisfaction.

November 9, 2016

Commissioner Brown – Chair
Commissioner Brise
Commissioner Edgar
Commissioner Graham
Commissioner Patronis
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

**Re: Water Conservation and Utilities, Inc. Rate Increase Request
Docket 160101-WS**

Dear Commissioners,

When I started in real estate development in Florida in 1979, I predicted that water supply was going to control growth. I was wrong about that - and a few other things since.

It seems to me that we have water conservation backwards. Instead of penalizing consumers for using water, perhaps we should *reward* them for not wasting water. Furthermore, block rate structures do not take into account household size thereby unfairly penalizing larger or generational households.

I know little to nothing about the economics of water supply (in Florida) other than most utilities (and bottlers) withdraw raw water for free – something I have never understood - with the lion’s share of the cost being in treatment and supply – and of course regulation. ☺

For your consideration under Docket 160101-WS is Utilities, Inc. of Florida’s proposed rate increase (in Seminole County where I reside) that, if approved, would increase the current monthly base charge for a 5/8” residential meter from \$8.46 to \$22.06, nearly a trebling of the rate, before anyone turns on a faucet.

In addition, the utility is asking for a Gallonage Charge increase of 260% that will impose serious sticker shock – and worse, hardship - on uninformed consumers.

What I assert is occurring is the “reward” for water conservation is increased consumer cost due to declining per household revenue – with no net saving - as evidenced by this rate increase request.

If water was as relatively expensive as electricity, you would see a much greater public outcry. But as it is, this increase may well stay under the radar.

I have years of experience with water and sewer utility providers; large and small; for profit and municipality owned. I have found the small, for-profit entrepreneurial companies to be the worst to deal with. They are typically all about the profit; and autocratic because they believe they are not really answerable to anyone.

Something that has always galled me is that all utilities require real estate developers to “donate” capital delivery systems that will allow them to collect revenue in perpetuity, often requiring individual meters in the name of water conservation while in reality they covet substantial monthly base charges. My experience as an apartment developer, who master meters with pass-through charges using sub-meters, sends them into despair and puts them on the offense.

I would not be sharing my long-time observations as to how water conservation is effected in Florida, except that I had a recent personal and unpleasant interaction with Utilities, Inc., (Seminole) that on one hand disproved their regard for their asserted “outstanding customer satisfaction,” and on the other hand resulted in a windfall profit to that *for-profit* corporation.

What I would like to see come out of this matter is 1) globally a state-required protocol for assuring effective and immediate notification to customers of unusually large consumptions and 2) that Utilities, Inc. be induced into the 21st century with remote read meters – they are currently still manually read - that allow instantaneous and actionable monitoring of consumption.

My matter regarded an undiscovered leak (under a driveway from an old copper pipe giving way) that only came to light through a monthly reading. Upon learning that I had consumed 34,000 gallons of water – whereas my average monthly usage is lower than 1,000 gallons – a UI employee was sent to re-read the meter. Upon confirmation of the usage, the employee attempted to contact (me) at the service address during normal business hours. Finding no one home, a door hanger notification was left.

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I did not find any door hanger that evening and 3 weeks passed before my landlord went to pay the bill and for the first time learned of the substantial leak. During that time another 55,000 gallons of water was wasted. So much for water conservation. Utilities, Inc.'s response: too bad, so sad; pay up (and at the maximum block rate).

Now door hangers are OK for “Oops, we missed you” notices, like by a cable company. Or for pizza promotions. But not for huge water leaks that only the utility knows exists.

Moreover, this is a rental property with a billing address different from the service address. Renters who don't pay for water (and sewer) usually don't care about wasted water – unlike me – or a house could be temporarily vacant or the occupant on vacation when a leak occurs. Fortunately, I was not away and the leak not within the house causing untold damage. Under that/this scenario, the utility should have shut off the water until such time as a responsible party could be contacted.

In closing, I have no love for these for-profit utility investors. In regard to the current rate request, I believe the Commission will act in everyone's best interest, but I ask that you do not extend to Utilities, Inc. any voluntary courtesies during the process, as they don't deserve them.

Sincerely

William Shallcross Jr.

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c: Daniel T. O'Keefe, Esq. – Chairperson SFWMD Governing Board
John A. Miklos, - Chairperson SJRWMD Governing Board
Lee Constantine, District 3 Commissioner – Seminole County