



South Carolina
Office of Regulatory Staff

THE WATER WELLSPRING

A Flowing Source of Information for Water and Wastewater Utilities

Spring 2016

PSC Mailing Address Update

Please be advised that the Public Service Commission's PO Drawer was closed on January 1, 2016. **Please mail correspondence to the Public Service Commission at the following address: 101 Executive Center Drive, Suite 100
Columbia, SC 29210**

Water/Wastewater Workshop Date

The ORS Water/Wastewater Workshop is scheduled for Friday, April 15, 2016, in the PSC's Hearing Room. The registration form and agenda are posted on the ORS website. If you know of anyone who may be interested in attending, please let them know.

Annual Report Reminder Letters

Letters have been mailed reminding water and wastewater utilities of the April 1, 2016 due date for annual reports. Utilities that operate on a *calendar* year must file their annual report no later than April 1. Utilities that operate on a *fiscal* year must file their annual report no later than three months after their fiscal year ends.

Technology News

New App Helps Field Techs

Ascension Wastewater Treatment (AWT), a privately owned sewer utility company in Louisiana, recently switched to a mobile app software to replace paper forms in the field and streamline scheduling and reporting. Flowfinity, the mobile field service solution, was tailor-made for the company's business processes to improve efficiency and visibility in the field.

AWT recognized that the iPhone apps the field staff were using were not user friendly. The company needed full dispatch capabilities, two-way information access allowing supervisors to look up previously submitted work orders on mobile devices, automated emails to notify appropriate personnel when certain tasks were completed or issues arose, and data validation to ensure all required information was entered into work orders before submission.

The custom Flowfinity apps for AWT are used to manage its daily operations. Incoming calls and work orders dispatched to field technicians are recorded. Other results include real-time management visibility of field operations, better tracking of field service activity, greater efficiency in the field, streamlined dispatch operations, and more accurate work orders. In addition, Flowfinity allows the company to keep better records of all construction completed at the utility. This feature helps in answering questions from customers or regulators.

A case study using Flowfinity was conducted at Industrial Water Services (IWS) -- a field service company that specializes in building, servicing, and installing industrial water treatment systems -- to replace paper forms in the field and streamline scheduling and reporting. Flowfinity allows for logging, dispatching, scheduling, purchasing, tracking deliveries, and recording all of the field services they provide. If a customer calls with an issue, the information is entered and assigned to a field tech to complete the work. Flowfinity also helps in purchasing. A part to be purchased is entered in the Flowfinity app system, and the purchasing department submits it to the vendors. The information is tracked and, after the part is invoiced, the department closes the request.

Like AWT, IWS uses the Flowfinity service in the field to look up customer information and review all completed services at the office. Once a tech completes a job, it's removed from their schedule and marked as complete. When the next one is due, it will appear again in their dispatched job list. Techs are no longer required to carry paperwork; each form can be tailored to a specific customer, which saves time.

Flowfinity also provides customer service. When a job is completed, the report is emailed to the customer in a PDF format. The PDF includes the customer's signature and time stamp so that no question remains regarding whether the service was completed.

In addition, Flowfinity has the ability to add photos to any job report. This feature allows the utility to include photos to document equipment either showing the need for repair or, in service maintenance reports, confirming that no rusting or cracking exists.

If you are interested in learning more about Flowfinity, you can read the case study at <http://www.flowfinity.com/customers/mobile-field-service-iws.aspx>.

Customer Relations: Deposit Management

Commission regulations allow a utility to require from any customer, or from any prospective customer, a deposit intended to guarantee payment of bills for service if any of the following conditions exist:

- The customer's past payment record to a water utility shows delinquent payment practice – e.g., the customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months or,
- A new customer cannot furnish either a letter of good credit from a reliable source or an acceptable cosigner to guarantee payment, or
- A customer has no deposit, and presently is delinquent in payments (e.g., the customer has had two consecutive 30-day arrears, or more than two non-consecutive 30-day arrears, in the past 24 months), or
- A customer has had his service terminated for nonpayment.

A maximum deposit may be required up to an amount equal to:

- An estimated bill for a new customer of two months (60 days), or
- The total actual bills of the highest two consecutive months based on the experience of the preceding twelve (12) months or portion of the year, if on a seasonal basis.

All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer. Simple interest on deposits at a rate determined by Commission Order shall be paid by the utility to each customer required to make such deposit for the time it is held by the utility, provided that no interest need be paid unless the deposit is held longer than six months.

The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two (2) years and at the time the deposit is returned. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required. Each utility shall keep a record to show: (a) The name and address of each depositor; (b) The amount and date of the deposit; and (c) Each transaction concerning the deposits. Each utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a depositor may establish his claim if his receipt is lost.

Deposits shall be refunded completely with interest after two years unless the customer has had two consecutive 30-day arrearages, or more than two non-consecutive 30-day arrearages, in the past 24 months. A record of each unclaimed deposit must be maintained for at least one year during which time the water utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the South Carolina State Treasurer as prescribed by law. Where a customer has been required to make a deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of non-payment of bill, a utility shall apply the deposit of such customer toward the discharge of the customer's account and shall as soon thereafter as practicable refund the customer any excess of the

deposit. If however, the customer whose service has been disconnected for non-payment, pays the full amount on his account within 72 hours after service has been disconnected and applies for reconnection, the utility may not charge an additional deposit except as allowed to under the provisions of the Commission's rule.

Rate Case Applications

When a Company decides it's time to file a rate case, following are steps to promote an efficient process:

- ✓ The Company shall give to the Commission and the regulatory staff not less than thirty days' notice of its intention to file (58-5-240 (A)).
- ✓ Choose a Test Year.
- ✓ Make sure there are adequate records (General Ledger, etc.) and supporting documentation (invoices, etc.) to compile a Rate Case Application.
- ✓ Perform financial analysis of test-year operating experience.
- ✓ Determine if any adjustments are needed to normalize the test year.
- ✓ Determine any adjustments for known and measurable changes.
- ✓ Determine any adjustments from Accounting Orders, deferrals, etc.
- ✓ Ascertain any operational or environmental issues and seek resolution before rate case filing.
- ✓ The Utility may seek a settlement in the rate case if possible.
- ✓ The statutory timeline for the rate case process is six months.
- ✓ The Commission shall issue its final order, six months after the application date, but may obtain an additional 5 days, by order, if needed.
- ✓ A Company may apply for its next rate adjustment after twelve months have elapsed from the filing of its previous *application*.

For any accounting questions, please contact Jay Jashinsky at 803-737-1984 or Sharon G. Scott at 803-737-0964.

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