



South 43 Water Association, Inc.

PO Box 918
Greencastle, IN 46135-0918
765-657-5000

April 5, 2013

Mr. Curt Gassert
Director of Water & Sewer Division
Indiana Utility Regulatory Commission
101 W. Washington Street
Suite 1500E
Indianapolis, IN 46204

Re: South 43 Water Association, Inc.
30-day filing
Credit/Debit Card Convenience Fee

Dear Mr. Gassert:

Please find enclosed the South 43 Water Association, Inc.'s (South 43) request for a new charge for customers utilizing the on-line payment of their water bill. The new charge is a flat rate of \$3.00 per payment transaction. South 43 recently upgraded to Masterlinx software hosted on Master Meter System's servers which provides consumer login to view transaction history and capability to make secure, on-line credit card payments. The payment portal through Authorize.net is required for payments made through Masterlinx. PNC was chosen for the merchant account services based on their cost vs. other providers. South 43 is not requesting the recovery of the initial investment of providing this service, but rather the annual recurring expense of providing this service. In addition to the schedules reflecting the derivation of the fee, I have included information and pricing documents from the companies providing services as Exhibits A - C.

I have enclosed the schedules:

1. Schedule A – Transaction Fee Calculation;
2. Schedule B – Annual Expense for payment gateway (Authorize.net);
3. Schedule C – Annual Expense for merchant account (PNC);
4. Schedule D – Proposed Tariff.

On the tariff, I have marked with an (N) representing New next to the proposed charge for customers wanting to participate in the on-line payment service. The flat rate includes the annual cost, transaction fees and an estimated average of the percentage fees charged by the merchant account provider.

Mr. Curt Gassert
April 5, 2013
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Should you have any questions regarding the filing, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Kathy Deer". The signature is written in a cursive style with a large initial 'K'.

Kathy Deer, Billing Manager

Enclosures

Cc: Office of the Utility Consumer Counselor
Board of Directors
File

Online Credit/Debit Card Charge
Transaction Fee

Non-Recurring Charge for Online Credit/Debit Card Use
(30-Day Filing Request)

Transaction Fee Calculation

Schedule

	Debit Card	Credit Card	Rewards Credit Card	Business Credit
	1.50%	1.80%	2.40%	2.99%
Authorize.net Payment Gateway	B \$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00
PNC Merchant Services	C \$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
Annual Expense	\$ 360.02	\$ 360.02	\$ 360.02	\$ 360.03
Divide: Number of customers (1)	21	21	21	21
Estimated Annual Expense per Customer	\$ 17.14	\$ 17.14	\$ 17.14	\$ 17.14
Divide: 12 for monthly Expense/Customer	12	12	12	12
Estimated Monthly Expense/Customer	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43
Add: Authorize.net transaction fee	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
Add: Authorize.net batch fee	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
Add: PNC transaction fee	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15
Add: PNC rates based on \$50 average transaction	\$ 0.75	\$ 0.90	\$ 1.20	\$ 1.50
Total Fee per transaction	\$ 2.68	\$ 2.83	\$ 3.13	\$ 3.43
				\$ 3.02
Average across types of credit cards				

(1) South 43 currently serves 540 customers of which 117 have opted for the ACH debit available since 2005. Of the remaining 423 customers, it is estimated 5% will use the credit card payment capability

SOUTH 43 WATER ASSOCIATION, INC.
Greencastle, IN 46135

Annual Expense - Authorize.net

Non-Recurring Charge for Online Credit/Debit Card Use
(30-Day Filing Request)

Web Bill Presentment with Credit Card Processing

Authorize.Net (See Exhibit B)

Web Based Payment Gateway

Monthly Fee	\$ 20.00
Times: 12 to annualize	<u>12</u>

Annual Expense - Authorize.net	\$ 240.00
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Transaction Fee	\$0.10
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Batch Fee	\$0.25
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(Note: Customers can pay at any time so each transaction is likely to incur a batch fee.)

SOUTH 43 WATER ASSOCIATION, INC.
Greencastle, IN 46135

Annual Expense - PNC Merchant Account

Non-Recurring Charge for Online Credit/Debit Card Use
(30-Day Filing Request)

Merchant Services

PNC Merchant Services (See Exhibit C)

Terminal is Authorize.net setup

Monthly Fee	\$ 10.00
Times: 12 to annualize	<u>12</u>

Annual Expense - PNC Merchant Services \$ 120.00

Transaction Fee \$0.15

Rates:

Consumer Debit Cards 1.50%

Consumer Credit Cards 1.80%

Consumer Reward Cards 2.40%

Business Credit Cards 2.99%

SCHEDULE OF RATES AND CHARGES
SOUTH 43 WATER ASSOCIATION, INC.
PUTNAM COUNTY, INDIANA

Pursuant to Cause No. 43909-U
October 27, 2010

Metered Monthly Rates

Per 1,000 gallons

First 2,500 gallons	\$5.24
Next 7,500 gallons	\$4.89
Next 20,000 gallons	\$4.31
Next 30,000 gallons	\$4.07
Next 40,000 gallons	\$3.72
All Over 100,000 gallons	\$3.60

Monthly Minimums per
Meter Size

Gallons

Minimum Charge

5/8 x 3/4-inch meter	2,500	\$13.11
3/4-inch meter	5,500	\$27.79
1-inch meter	8,000	\$40.02
1 1/2-inch meter	11,500	\$56.27
2-inch meter	15,000	\$71.34

Fire Hydrant Rental

\$250.00 per year per fire hydrant

SCHEDULE OF RATES AND CHARGES
SOUTH 43 WATER ASSOCIATION, INC.
PUTNAM COUNTY, INDIANA

Nonrecurring Charges

Charge

Membership Fee	\$125.00
3/4 Connection or Tap-On	\$1,000.00
Reconnection Charge	\$25.00
Special Meter Reading	No Charge
Late Payment Charge	10% of the first \$3.00 and 3% of the amount in excess of \$3.00

(N)

Online Credit and Debit Card Payment

Customers may pay their monthly water bill online with a credit or debit card. Water customers electing to pay their monthly water bill online shall pay an additional charge for such service which will be added at the time such payment is made. The additional charge will cover the cost paid to the payment portal provider and credit card company for transaction, batch and fees incurred for the annual operating expense of such service.

Credit Card Convenience Fee	\$3.00 per payment transaction
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Kathy Deer

From: Ellen Stermer <estermer@mastermetersystems.com>
Sent: Tuesday, September 18, 2012 2:40 PM
To: kathy.deer@comcast.net
Cc: Jason Graves
Subject: Credit Card Payments with Masterlinx

Kathy,

With Masterlinx, we use the authorize.net payment gateway. You can use your own merchant account for this, or set one up with them. You can use this link to apply for an account.

<https://ems.authorize.net/oap/home.aspx?SalesRepID=98&ResellerID=18403>

This link shows you the pricing for authorize.net gateway fees:

<http://www.authorize.net/solutions/merchantsolutions/pricing/>

The gateway fees are in addition to any merchant fees which may be charged for having a merchant account.

Let us know if you have any other questions!

Thanks,

Ellen Stermer
Product Manager
1-800-928-6388





USA/CANADA

SUPPORT

ACCOUNT LOGIN

ACCEPT PAYMENTS

RESELLER PROGRAMS

DEVELOPER CENTER

RESOURCES

SIGN UP NOW

Authorize.Net Pricing

ACCEPT PAYMENTS

- Online
- Mail/Telephone Order
- Retail Store
- Mobile

Payment Gateway

Setup Fee	\$99.00 *
Monthly Gateway Fee	\$20.00 *
Transaction Fee	\$0.10 *
Batch Fee	\$0.25 *

Optional Value-Adding Products

Advanced Fraud Detection Suite™ (AFDS)	\$9.95/month
Automated Recurring Billing™ (ARB)	\$10.00/month
Customer Information Manager (CIM)	\$20.00/month
eCheck.Net®	contact us

* Suggested retail price only. Actual retail fees vary according to prices set by Authorize.Net resellers, who determine prices based on your business type and transaction volume, as well as other factors such as special promotions. The fee structure above does not include merchant account fees charged by your bank or card association.

1.888.323.4289 toll-free
Monday through Friday, 6 AM to 4 PM Pacific time
(closed major holidays)

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|-----------------------------|------------------------|
| Free Mobile App | No Hidden Fees |
| Free Customer Support | No Annual Renewal Fees |
| Free Verified Merchant Seal | No Cancellation Fees |
| Free Virtual Terminal | |

"I offer multiple payment methods on my site, but 90-95% of my customers choose to use Authorize.Net."

— John T. Unger
Artist and Owner
www.johntunger.com



Pricing Summary: SOUTH 43 WATER ASSOCIATION, INC.

Rates & Fees

Qualified Debit Rate: 1.5% + \$.15/Transaction

****Rate for Consumer Debit Cards**

Qualified Credit Rate: 1.8% + \$.15/Transaction

****Rate for Consumer Credit Cards**

Mid Qualified Rate: 2.4% + \$.15/Transaction

**** Rate for Consumer Rewards Cards**

Non Qualified Rate: 2.99% + \$.15/Transaction

**** Rate for Business Credit Cards**

Terminal

Authorize.net Set up

- \$10.00/ Month

- \$150.00 Set-up Fee

****PNC Rebate of \$150.00 available upon activation**

Net Set-up fee= \$0.00

Fees

Application Fee- WAIVED

Programming Fee- WAIVED

Site Visit Fee- WAIVED

Monthly Service- WAIVED

Monthly Statement Fee- WAIVED

Monthly Minimum- WAIVED

Best regards,

Randi McKenna

PNC Merchant Services

Account Executive

P 412-803-0433

Randi.McKenna@pnc.com