

BEFORE THE PUBLIC SERVICE COMMISSION

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FLORIDA PUBLIC SERVICE COMMISSION  
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Petition to Amend Rule 25-6.49 of Vistana Management, Ltd. ) Docket No. 96-0020-EU  
)  
) RESPONSE OF  
) POWER CHECK CONSULTANTS

Pursuant to Rule 25-2.69(3), of the Florida Administrative Code ("FAC"), Power Check Consultants ("PCC"), hereby responds to the Petition to Initiate Rule-Making to Amend Rule 25-6.49 of Vistana Management, Ltd. ("Petitioner").

PCC is an "interested person" in the instant action since it represents numerous time share and condominium associations as a utility consultant in their efforts to control costs and conserve electricity.

PCC submits that the commission should amend Rule 25-6.49 to allow Time Share Resorts and Condominium Associations registered with the State of Florida Department of Business Regulation-Division of Hotels and Motels, for transient rentals, and registered with the Department of Revenue for sales tax purposes on such transient rentals, the right to master meter such time share resorts or condominiums. In support of its position PCC respectfully submits the following;

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP / not fall within the exception contained in Rule 25-6.49(5)(a)(3), of the FAC, and would be
- CAF / subject to the individual metering requirement of Rule 25-6.49(5)(a).
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG / their response in Docket 810308-EU on August 28, 1991, that "[I]t has been estimated that
- LEG / energy consumption increases as much as twenty five percent in a building that is master metered
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_ as compared to one with individual meters. The Commission should prohibit master metering in
- RCH / the instant case to encourage and promote energy conservation."
- SEC / \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

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3. Unfortunately, this argument was not based on any competent substantial evidence, and since the time share industry in Florida had not grown to the status it holds today within our state, FPL actually had no true basis for its position.

4. FPL also argued that, "to encourage conservation, the managing agent of the time share condominium complex must at least have the flexibility to hold each condominium owner accountable for the consumption of each individual unit."

5. As we are all aware today, the practicalities of such an arrangement simply does not exist. Since any one time share unit can be owned by as many as fifty separate owners (one for each week of the year with two weeks always left open ), this means for a one hundred unit time share property there could conceivably be up to five thousand owners. Surely FPL did not believe that a manager of a one hundred unit time share complex would spend the necessary time to discuss energy conservation with five thousand owners.

6. In addition, many time share units that are not completely sold out, or whose owners choose to rent their owned week, are rented on a transient basis similar to hotels and motels.

7. A one hundred unit time share, individually metered, is saddled with the administrative burden of reviewing 100 electric bills each month, and then making appropriate payment to the power company. The electric expense is then passed on to the owners through their monthly maintenance fees. An owner would never see the actual electric bill, unless it was specifically requested, which is hardly ever the case.

8. A managing agent who receives one electric bill for the property not only has more time to devote to energy conservation, but analyzing and comparing last months electric bill, or last years electric bill, to the current bill, for the purpose of conservation, is a far more effective approach to managing electric conservation and costs then making such comparison on hundreds, or in the petitioners case, thousands of monthly bills.

9. Finally, the time share resorts should be allowed to obtain the best rates possible when competing with hotels, motels, and resort condominiums for transient guest business. The cost of individuals bills itself is staggering, not to mention the savings which would obtain as a result of a rate based on a higher average KWH usage, and the benefits from demand rates, or

other available rate programs. Master metering would also allow for better control of total electric demand for the entire property, and feasibly aid the power companies in controlling peak demand. An additional benefit to the power companies would be the reduction of administration costs along with meter investment dollars.

10. This response applies as well to Resort Condominiums which are registered with the Department of Hotels and Restaurants for transient rentals, and are also registered with the Department of Revenue. They operate in a similar fashion to time share resorts and collect and pay sales taxes on their transient rentals. They compete regularly with the hotels, motels, and time share resorts for the transient rental business in their surrounding areas.

11. Those condominiums which rent or lease on a long term basis pursuant to written agreements, are not required to be registered with the Division of Hotels & Restaurants and are not required to collect and pay sales taxes on such rentals. Thus, they are easily distinguishable from the condominiums which are registered with the Department of Hotels & Restaurant, pay sales taxes on transient rentals, and compete with hotels, motels and time share resorts.

12. The criteria for master metering could easily be established for these resort condominiums pursuant to their registration with both the Department of Business Regulation, Division of Hotels & Restaurants, and with the Department of Revenue.

13. The arguments regarding more efficient review and analysis of electric bills for time share resorts holds true for resort condominiums. In addition, these resort condominiums should be allowed the same benefits as their hotel, motel, and time share competitors, as to their ability to obtain more cost effective electric rates.


14. As was discussed earlier, the effect of demand rates instead of non-demand rates would benefit both the resort condominiums and the power companies. Rebate programs, and other conservation measures are more readily available to larger users with a higher average KWH usage. By master metering the resort condominiums, they will be allowed under many of the power company tariffs to participate in rebate programs and conservation measures which are currently unavailable as a result of individual metering.

15. When considering the proposed amendment, resort condominiums should be given the same status and opportunity to master meter as time share resorts.

WHEREFORE, for all of the following reasons, PCC respectfully submits that time share resorts and resort condominiums, registered with the Department of Business, Regulation-Division of Hotels and Restaurants, and the Department of Revenue for the collection and payment of sales taxes on transient rentals, be allowed to master meter such establishments, and that the Commission Amend Rule 25-6.49 FAC to reflect such modification.

I HEREBY CERTIFY that a true and correct copy of the foregoing Response of Power Check Consultants was forwarded by Facsimile and U.S. Mail to VISATNA MANAGEMENT, LTD. to Mr. William F. Shabot, 8800 Vistana Center Dr., Orlando, Florida 32821, this 24th day of April, 1996.

Respectfully Submitted,



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#960020

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