



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

ORIGINAL FILE COPY

DATE: April 29, 1996
TO: Division of Records and Reporting
Division of Legal Services, Alice Crosby
FROM: Division of Water & Wastewater, J. Travis Coker ATC BGM
RE: Docket No. 960327-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Duval County by Pinewood Village Apartments.

On March 13, 1996, this Commission received an application from Pinewood Village Apartments (Pinewood or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Staff has determined that Pinewood meets the requirements for status as an service entity that will resell water and wastewater at a rate that will not exceed the actual purchase price thereof provided in Section 367.022(8), F.S.

The application was filed in accordance with Section 367.022(8), F.S., and Rule 25-30.060(3)(h), Florida Administrative Code (F.A.C.). Included with exemption application was a statement from the agent of the system describing the statutory and factual basis for the exemption. The applicant stated that services are only to provide utility service as a nonprofit service. Pinewood is owned and managed by Epoch Properties, Inc. Mr. Greg Boehart, Vice President of Epoch Properties, Inc., submitted a letter of authorization giving Mr. John S. Ranney legal authority to act on behalf of the apartment complex. Mr. Ranney, of Envirotech Utility Management Systems, signed the application on behalf of Pinewood. In addition, Mr. Ranney acknowledged Section 837.06, Florida Statutes, regarding false statements. The applicant acknowledged the requirements of Rule 25-30.111, F.A.C., regarding annual reporting requirements. The applicant also acknowledged Chapter 367.122, F.S., which deals with the examination and testing of meters; and Rules 25-30.262 through 25-30.267, F.A.C., which explains the responsibilities of the utility owner for insuring the accuracy of the meters.

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Pinewood has named United Water Florida, Inc. as the entity providing service to the apartment complex and has submitted that company's rates and charges. The reseller has also provided its proposed rates and charges and an explanation of its proposed method of billing. The actual rates billed to the tenants are identical to the rates charged by United Water Florida, Inc. This demonstrates that the rates charged will not exceed the amount paid for water or wastewater by the reseller entity. Pinewood states it does require a \$30.00 deposit and will notify this Commission of any change in this policy. Pinewood also stated in its application that tenants will be billed monthly, no miscellaneous charges or water charges for common areas will be levied and that the service territory will be limited to the apartment complex only. The service area is identified by the following address: 7632 Southside Boulevard, Jacksonville, Florida, 32256.

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FPSC-RECORDS/REPORTING

For informational purposes, United Water Florida, Inc.'s rates and charges for general metered water and wastewater service, charged monthly are as follows:

WATER RATES

Base Rate

<u>Meter Size</u>	
5/8"	\$ 6.69
3/4"	8.62
1.0"	12.46
1.5"	25.96
2.0"	49.06
3.0"	129.93
4.0"	334.10
6.0"	376.46
8.0"	4,193.60

Consumption Rate

per 1,000 gallons	\$ 1.00
per 100 cubic feet	\$.75

WASTEWATER RATES

Base Rate

<u>Meter Size</u>	
5/8"	\$ 10.37
3/4"	14.35
1.0"	23.05
1.5"	52.65
2.0"	103.39
3.0"	281.05
4.0"	729.33
6.0"	822.38
8.0"	9,204.79

Consumption Rate

per 1,000 gallons	\$ 2.97
per 100 cubic feet	\$ 2.22

The City of Jacksonville also levies a 10.0% tax on water usage, this tax is included. The rates of United Water were reviewed by the Commission in Docket No. 950386-WS and approved in Order No. PSC-95-0604-FOF-WS, issued June 15, 1995. The rates became effective July 9, 1995.

Pinewood utilizes one 6.0" meter. The proposed rates for water and wastewater service for Pinewood, charged monthly are as follows:

WATER RATES

Base Rate

<u>Meter Size</u>		
6.0"	\$376.46	$\$376.46 / 226 = \$ 1.67$
Consumption Rate per 100 cubic feet	\$.75	

WASTEWATER RATES

Base Rate

<u>Meter Size</u>		
6.0"	\$822.38	$\$822.79 / 226 = \$ 3.64$
Consumption Rate per 100 cubic feet	\$ 2.22	

The 226 units at Pinewood will be billed for consumption based on these rates. An example of a Pinewood tenant with 6 CCF would be calculated as follows:

Base water charge	(\$1.67)	\$ 1.67
Water charges	(6 CCF x .75)	\$ 4.50
Water tax	(\$6.17 x 10%)	\$.62
Base wastewater charge	(\$3.64)	\$ 3.64
Wastewater charges	(6 CCF x \$2.22)	<u>\$13.32</u>
	Total	\$23.75

In summary, staff has determined that Pinewood meets the necessary qualifications for a nonprofit reseller exemption pursuant to Section 367.022(8), Florida Statutes and Rule 25-30.060(3)(h), Florida Administrative Code. Staff recommends that an administrative order be issued finding Pinewood exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff further recommends that the order require Pinewood to notify this Commission in the event of any change of circumstances or method of operation of its water system. Furthermore, staff recommends that this docket be closed.

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