

Commissioners:  
SUSAN F. CLARK, CHAIRMAN  
J. TERRY DEASON  
JULIA L. JOHNSON  
DIANE K. KIESLING  
JOE GARCIA



DIVISION OF WATER &  
WASTEWATER  
CHARLES HILL  
DIRECTOR  
(904) 413-6900

# Public Service Commission

June 4, 1996

Mr. S. L. Perlman  
Fernwood Mobile Home Estates  
4000 Town Center Suite 555  
Southfield, MI 48075

RE: Docket No. 960541-WU; Request for exemption from Florida Public Service Commission regulation for provision of water service in Volusia County by Fernwood Mobile Home Estates.

Dear Mr. Perlman:

Staff has reviewed your application in Docket No. 960541-WU, for a reseller exemption pursuant to Section 367.022(8), Florida Statutes. In order to qualify for a reseller's exemption, you must be reselling water service at a rate or charge which does not exceed the actual purchase price. Based on Staff's calculations, it appears that you are actually making a profit and are not reselling the water service to your customers at or below costs.

Assume customer usage at 6,000 gallons

ACK	<b>Fernwood's Bill from the City of Deland:</b>	
AFA		
APP	Base Charge (Outside the City - 4" meter):	\$ 104.40
CAF		
CMU	Gallonage Charge (Outside the City - \$1.19/1,000):	
CTR	\$1.19 x 6 x 92 units =	\$ 656.88
EAG	Total Bill from the City:	\$ 761.28
LEG		
LIN		
OPC		
RCH		
SEC		

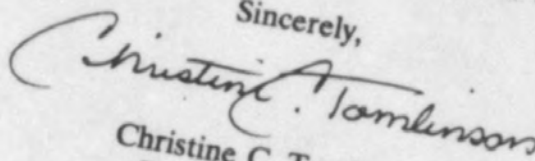
DOCUMENT NUMBER-DATE

06196 JUN-7 8

Revenue Collected from Customers:	
Water Rate per Unit (\$1.20 x 6):	\$ 7.20
Additional Water Charge:	\$ 8.70
Total Bill per Customer:	\$ 15.90
Number of Customers:	x 92
Total Revenue Collected from Customers:	\$1,462.80

Based on the above information, it appears that Fernwood does not qualify for the reseller's exemption pursuant to Section 367.022(8), Florida Statutes. Therefore, Fernwood must apply for a certificate of authorization to provide water service pursuant to Section 367.031, Florida Statutes. I have enclosed the application package for an original certificate. Please file the appropriate copies by **July 12, 1996**. If you have any questions concerning this material or any of the above, please contact me at (904) 413-6994.

Sincerely,



Christine C. Tomlinson  
Regulatory Analyst

ct\960541.def

cc: Division of Legal Services (Crosby)  
Division of Records and Reporting