



Public Service Commission

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

DATE: September 11, 1996
TO: Division of Records and Reporting
 Division of Legal Services, Alice Crosby
FROM: Division of Water & Wastewater, J. Travis Coker *JTC*
RE: Docket No. 960587-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Orange County by Chateau Audubon Village.

On March 13, 1996, this Commission received an application from Chateau Audubon Village D/B/A The Fairways Country Club (Chateau or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Staff has determined that Chateau meets the requirements for status as a 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 the 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. The Fairways is owned by Chateau Properties, Inc. Mr. Leon Pilgrim, Regional Property Manager of Chateau Properties, Inc. submitted a letter of authorization giving Mr. Robert Munro legal authority to act on behalf of the corporation. Mr. Munro, Utilities Director of Chateau Properties, Inc. signed the application on behalf of Chateau. In addition, Mr. Munro 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.

Chateau has named Orange County Public Utilities 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 Orange County. This demonstrates that the rates charged will not exceed the amount paid for water or wastewater by the reseller entity. Chateau states it does not require a deposit and will notify this Commission of any change in this policy. Chateau 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: 6201 Bent Pine Drive, Orlando, Florida, 32822.

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For informational purposes, the Orange County's rates and charges for general metered water and wastewater service utilizing a two inch meter, is charged monthly are as follows:

Base Rates

<u>Usage</u>	<u>Water</u>	<u>Wastewater</u>
0	\$25.28	\$93.75
1000 gallons	26.17	96.92
2000	27.06	100.09
3000	27.95	103.26
4000	29.14	106.43
5000	30.33	109.60
6000	31.52	112.77
7000	32.71	115.94
8000	33.90	119.11
9000	35.09	122.28
10000	36.28	125.45

Orange County has a fixed charge of \$25.28 for water service and \$93.75 for wastewater service. The county has a per thousand gallon charge of \$.89 per thousand gallons for the first three thousand gallons of service and \$1.19 per thousand gallons for any additional usage. Orange County ordered these rates effective June 1, 1996.

Chateau has two meters in use. Orange County is billing at a 2.0" meter rate. The proposed rates for water and wastewater service for the community, charged monthly are as follows:

Base Rates

	<u>Water</u>	<u>Wastewater</u>
Base Facility Charge	\$25.28	\$93.75

Consumption

WATER RATES

First 3,000 gallons	No Charge
Amounts greater than 3,000 per month	\$ 1.19 per 1,000 gallons

WASTEWATER RATES

First 3,000 gallons	No Charge
Amounts greater than 3,000 per month	No Charge

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The 1,139 units at Chateau will be billed for consumption based on these rates. An example of a Chateau tenant with 5,000 gallons usage would be calculated as follows:

Base water charge		\$.00
Water charges	(2000 x 1.19)	\$ 2.38
Base wastewater charge		\$.00
Wastewater charges		<u>\$.00</u>
	Total	\$ 2.38

In summary, staff has determined that Chateau 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 Chateau exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff further recommends that the order require Chateau 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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