



Public Service Commission

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

DATE: September 12, 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. 960583-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Palm Beach County by The Vinings at Delray Beach.

On May 10, 1996, this Commission received an application from The Vinings at Delray Beach (Vinings or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Staff has determined that Vinings 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. Vinings is owned by Delray I Limited Partnership and managed by Trammell Crow Residential Services, Inc. Mr. Greg Inglehart, Vice President of Delray limited Partnership, submitted a letter of authorization giving Mr. John S. Ranney legal authority to act on behalf of the development. Mr. Ranney, of Envirotech Utility Management Systems, signed the application on behalf of Vinings. 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.

Vinings has named the City of Delray Beach 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 the City of Delray Beach. This demonstrates that the rates charged will not exceed the amount paid for water or wastewater by the reseller entity. Vinings states it does require a \$30.00 deposit and will notify this Commission of any change in this policy. Vinings 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: 650 Lavers Circle, Delray Beach, Florida, 33444.

DOCUMENT NO. 96-1000-100

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FPSC-RECORDS/REPORTING

For informational purposes, the City of Delray Beach's rates and charges for general metered water and wastewater service, charged monthly are as follows:

WATER RATES

Base Rate	\$1,754.41
Consumption Rate	
0 - 3,000 gallons per 1,000 gallons	\$1.05
3,001 - 17,000 gallons per 1,000 gallons	\$1.16

WASTEWATER RATES

Base Rate	\$2,130.61
Consumption Rate	
0 - 12,000 gallons per 1,000 gallons	\$1.88

These rates charged by the City of Delray Beach were adopted in April 1993 and became effective May 1996.

The Vinings has eleven meters. The proposed rates for water and wastewater service for Vinings, charged monthly are as follows:

WATER RATES

Base Rate		
	<u>Meter Size</u>	
	all meters	\$7.69
Consumption Rate		
0 - 3,000 gallons per 1,000 gallons		\$1.05
3,001 - 17,000 gallons per 1,000 gallons		\$1.16

WASTEWATER RATES

Base Rate		
	<u>Meter Size</u>	
	all meters	\$9.34
Consumption Rate		
0 - 12,000 gallons per 1,000 gallons		\$1.88

The 228 units at Vinings will be billed for consumption based on these rates. An example of a Vinings tenant with 5,000 gallons usage would be calculated as follows:

Base water charge		\$ 7.69
Water charges	(3 x \$1.05) + (2 x \$1.16)	\$ 5.47
Base wastewater charge		\$ 9.34
Wastewater charges	(6 x 1.88)	<u>\$ 9.40</u>
	Total	\$31.91

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