



Marc Mazo 16252 Puffin Court Clearwater, FL 33762

November 10, 1997

Florida Public Service Commission Attn: Ms. Blanca S. Bayo Director, Division of Records & Reporting 2540 Shumart Oak Blvd Tallahassee, Florida 32301

971497-EG

Dear Ms. Bayo:

Enclosed please find an original and seven copies of Holiday Villas II Condominium Association's, Petition for Declaratory Statement. I would appreciate your filing the document in the appropriate manner.

Thank you very much for your cooperation and attention to this matter.

Yours Very Truly,

Marc Mazo

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## STATE OF FLORIDA BEFORE THE PUBLIC SERVICE COMMISSION

IN RE:

HOLIDAY VILLAS II CONDOMINIUM ASSOCIATION, Inc.

DOCKET NO. 971494-EG

Petitioners

## PETITION FOR DECLARATORY STATEMENT

COMES NOW the Petitioner, Holiday Villas II Condominium Association, and hereby petitions the Florida Public Service Commission to issue a Declaratory Statement pursuant to Section 120.565 of the Florida Statutes, as to the application of Rule 25-6.049(5)(a)(3) of the Florida Administrative Code.

1. Petitioner, Holiday Villas II Condominium Association, Inc. is an association which represents investor/owners of condominium units at Holiday Villas II Resort Condominium (hereinafter Holiday Villas II), located on the Gulf of Mexico at 19610 Gulf Boulevard, in Indian Shores, Florida. Holiday Villas II is registered with and licensed by the Florida Department of Business and Professional Regulation to engage in the business of providing transient lodging accommodations similar to hotels and motels, and is registered with the Florida Department of Revenue to collect and remit sales taxes on room rentals from such business. Pursuant to the Rule 25-6.049(5a)(3), Holiday Villas II has requested Florida Power has declined this request and the Petitioner hereby requests a determination as to the applicability of Rule 25-6.049(5a)(3) in this matter.



2. The Petitioner, operating under the name of Holiday Villas II Resort Condominium, is engaged in the business of providing short term (daily, weekly) lodging accommodations to vacationers as do the hotels and motels in the adjacent and surrounding areas. Guest rooms consist of furnished one and two bed room suites with toilet facilities and kitchens or kitchenettes. The resort also furnishes it guests with ancillary services and facilities such as daily housekeeping, telephone and voice mail, beach and swimming pool facilities. Petitioner is subject to the rules and regulations of The Department of Business and Professional Regulation, Division of Hotels and Restaurants, and is subject to regular inspections as are other hotels and motels in the area.

3. Petitioner competes directly for room night business with hotels and motels from St. Petersburg Beach to Clearwater Beach. To maintain its market share Petitioner actively advertises and promotes its business with travel agents and in trade shows both here and abroad. Petitioner regularly expends a great deal of money in the pursuit of keeping its rooms occupied. A full color marketing brochure promoting the resort is one of the many methods employed by the Petitioner to advertise its business. A copy of this brochure is attached as Exhibit "A".

4. Petitioner has an office, and small lobby with full registration located on the first floor of the resort where all guests must first check in to receive their room assignment. Registration, check-in, and check-out are accomplished in the same manner as in a hotel or motel. Petitioner utilizes a computerized reservation system to monitor and track advanced reservations, and to facilitate the registration and guest room assignment functions. Petitioner utilizes an outside sign indicating its vacancy status to inform traveling guests of availability for daily rentals.

Telephone service for the resort is provided through a master telephone PBX with all calls ringing directly into the switch board as in a hotel or motel. Guest rooms are furnished with calling instructions, and all charges are listed in compliance with the Department of Business Regulation the FCC and PSC. A copy of Petitioner's guest telephone information and instruction card is attached as Exhibit "B".

6. Petitioner has hired a General Manager who is responsible for the operation and care of the resort. His job duties are similar to those persons holding the title of general manager in any other hotel or motel, including, responsibility for overall operation of the resort, including housekeeping, maintenance, security, and guest services. He is responsible for hiring, supervising and firing of employees.

7. For its employees Petitioner is responsible for paying and filing all appropriate federal withholding taxes, social security and medicare taxes, federal and state unemployment taxes, and maintaining workers compensation insurance as required by the State of Florida. In addition, Petitioner must collect and remit all state sales and county taxes applicable to hotels or motels engaging in the business of transient rentals.

8. In the competition for room nights Petitioner must maintain a reasonable nightly rate. These rates must be in keeping with other hotels and motels within the area or Petitioner will eventually lose some of its business. As in all businesses, revenue must exceed expenses, and in its effort to stay competitive Petitioner's General Manager closely and actively monitors the resort's expenses. It is in this regard that the Petitioner has requested master metering from the local power company, Florida Power Corporation. Not only will master metering provide a more competitive, lower cost commercial rate to the Petitioner, but a more efficient manner to monitor, control, and conserve electric. Petitioner's owners/investors currently receive individual electric bills each month for service. Such bills are mailed by the power company to numerous owner/investors who live in different parts of the country. For Petitioner's General Manager to actively pursue conservation, and monitor and control the electric expense at the resort, one single master bill would be far more effective.

9. Florida Power Corporation has denied the Petitioner's request for master metering, even though Florida Power Corporation through one of its employees, Mr. Chester Matthews, has visited the Petitioner's facility and has confirmed that it operates in a manner similar to a hotel or motel.

10. Petitioner believes this position is incorrect based on the current Rules of the Florida Administrative Code 6-25.049 (5)(a)(3), which excludes facilities similar to hotels and motels from the individual metering requirement, and states in pertinent part.

- (5)(a) "Individual electric metering by the utility shall be required for each separate occupancy unit of new commercial establishments, residential buildings, condominiums, cooperatives, marinas, and trailer, mobile home and recreational vehicle parks for which construction is commenced after January 1, 1981. Individual electric meters shall not, however, be required;"
- (5)(a)(3)" For electric used in specialized-use housing accommodations such as hospitals, nursing homes, living facilities located on the same premises as, and occupied operated in conjunction wit, a nursing home or other health care facility providing at least the same level and types of services as a nursing home, convalescent homes, facilities certificated under Chapter 651, Florida Statutes, college dormitories, convents, sorority houses, fraternity houses, motels, hotels, and similar facilities." (Emphasis Supplied)

11. In addition, Petitioner would assert that Florida Power's position is anticompetitive and discriminatory. As was pointed out earlier, Petitioner necessarily competes for room nights with local hotels and motels. These area hotels and motels are eligible to receive electric service under a master meter scenario which includes the availability of commercial demand rates. As the PSC staff has stated in its discussions of the issues under Docket NOS 951485-EU and 960020-EU dated September 26, 1997 that, "[T]he rates charged to the various classes of customers are based on the unique usage characteristics of each class. A large proportion of the production costs of electricity are allocated to the rate classes based on their contribution to the system's peak demand. Since residential customers tend to be more peak intensive they are allocated relatively more costs than the less peak intensive commercial and industrial customers. Thus, residential rates tend to be higher than the commercial rates " (Emphasis Added)

12. Petitioner has consulted with Mr. Tom Saxon, formerly employed by Florida Power Corporation in the area of market services dealing with hotels and motels Mr. Saxon has indicated that the unique usage characteristics of the Petitioner is identical to other hotels and motels all along the area beaches which offer one and two bedroom suites with kitchen or kitchenette facilities. Such competition includes The Shoreline Resort, Alden Beach Resort, Bilmar Beach Resort, The Sands, The Surfsong, Holiday Inn, Ramada Inn & Suites, Dolphin Beach Resort, Sea Stone Resort, and Sea Wake Resort, among many others from Clearwater Beach north of the Petitioner, to St. Petersburg Beach to the south of the Petitioner.

13. Petitioner's usage characteristics are commercial as their guests visit Florida with the intention of enjoying the weather, the beach, local restaurants and entertainment in the same way as the guests for the above stated hotels and motels Petitioner's guest's utilize the electric furnished to them by the Petitioner in the identical manner as guests of many other hotels and motels in the area. Therefore, should Petitioner not be allowed to master meter the resort as other similar hotels and motels and receive the cost benefits of a commercial demand rate as the others do, Petitioner would be forced to pay a higher rate for the same electric service. This would affect Petitiorer's ability to keep room rates competitive. Not only is this inequitable, it is also anticompetitive and discriminatory. FAC Rule 25-6.049 makes allowance for this exact situation as it clearly indicates under Section (5)(a)(3) that included in the exception to the individual metering requirement are........"hotels, motels, and similar facilities." (Emphasis Supplied)

WHEREFORE, for all of the foregoing reasons, Petitioner respectfully requests the Public Service Commission issue a Declaratory Statement finding that Petitioner is a "similar facility" under the exception to the individual metering requirement of Rule 25-6.049(5)(a)(3) of the Florida Administrative Code and direct Florida Power Corporation to master meter the resort as requested.

MARC D. MAZO 14252 Puffin Court Clearwater, Florida, 33762 (813) 573-5787

Authorized Representative For The Petitioner.

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and seven (7) copies of the foregoing instrument have been furnished by U. S. Mail to the Florida Public Service Commission, Ms. Blanca S. Bayo, Director, Division of Records and Reporting this 10th day of November, 1997.

Marc D. Mazo



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## EXHIBIT "A-1"

P.O. Box 729 / Indian Shores. Florida 34635 / Tel. 813-596-4852

**Resort Condominium Rentals** on the Gulf of Mexico Holiday Villas IT

**Resort Condominium Rentals** on the Gulf of Mexico Holiday Villas II WELCOME TO HOLIDAY VILLAS II We hope you enjoy your stay in Florida. Flease take a moment to review the Policy and Information section of the Rate Brochure. If you have any questions or require any additional information about Holiday Villas II or the Beach area, please stop by the office or dial 0 on the telephone. Holiday Villas II has a central telephone system for your convenience. If you choose to use this service, the following instructions for use of the telephone are provided. Please Note, telephone regulations prevent blocking 900/ 976 calls. The rate for 900/976 calls: \$25,00 per call/ \$5.00 per minute. Any disputed 900/976 call must be addressed in writing. All 900/976 disputes will be resolved within 90 days of inquiry. In addition, there is a public pay phone located in the parking garage next to the South stairwell, To receive calls, the celling party should dial (813) 596-4852, then enter your condominium extension number when instructed. Please inform your family and friends of your condominium extension number: 13/02

Front Desk (8AM to SPM) - Dial 0

Room to Room - Dial 3 Digit Extension

Local Call - Dial 9-XXX-XXXX (Number) (\$ .25 per Call)

Local Information - Dial 8-1411 (\$ .25 per Call)

Tampa Extended Area Call - Dial 9-XXX-XXXX (Number) (\$ .20/first min. then \$ .12/min.)

Local Operator - Dial 8-0

Long Distance Operator - Dial 8-00

Long Distance Information - Dial 8-0-A/C-555-1212 (\$ .60 per Call)

Long Distance Direct Dial 8-1-Area Code-Number All US (\$ .30 per minute) Canada (\$1.24/first min. then \$1.12/min.)

International Operator - Dial 8-00

Credit Card Calls . Dial 8-0-A/C-Number

Collect, Third Party - Dial 8-0-A/C-Number

Toll Free Calls (800) - Dial 8+1-800-Number

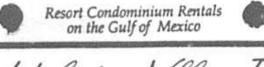
For Rate Quotes - Dial 8-00

10XXX Access - Dial 8-10XXX-0-A/C-Number

950 Access - Dial 8-950-XXX

EXHIBIT "B-1"

Side (1)



Holiday Villas II

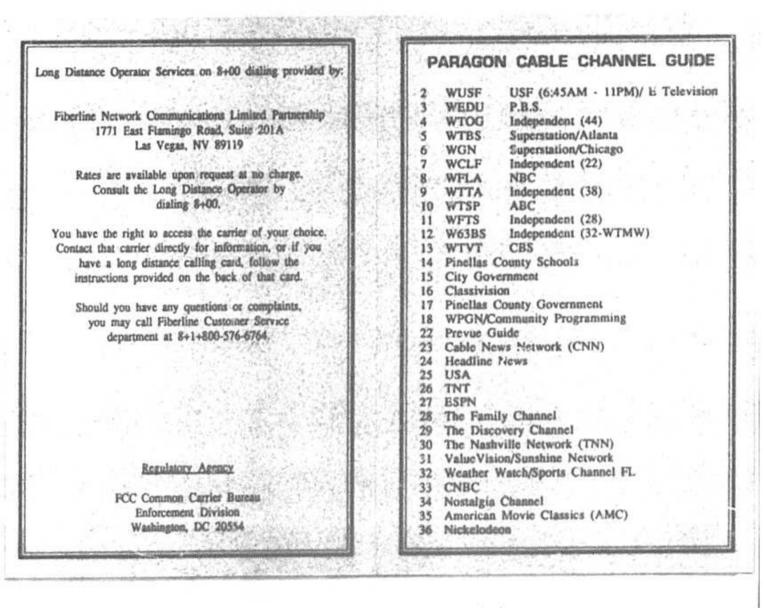


EXHIBIT "B-2"

Side (2)

P.O. Box 729 / Indian Shores, Florida 34635 / Tel. 813-596-4852