

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request For Exemption ) DOCKET NO. 950280-WS  
From Florida Public Service ) ORDER NO. PSC-95-0953-FOF-WS  
Commission Regulation For ) ISSUED: August 7, 1995  
Provision of Water and )  
Wastewater Service in Pinellas )  
County by Lincoln Shores I & II. )  
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)

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING BILLING METHOD ON A TEMPORARY BASIS,  
INDICATING EXEMPT STATUS OF LINCOLN SHORES I & II  
AND CLOSING DOCKET

BY THE COMMISSION:

On March 14, 1995, Lincoln Shores I & II (Lincoln Shores) filed an application with this Commission for recognition of its exempt status, pursuant to Section 367.022(8), Florida Statutes. Lincoln Shores is an apartment complex, with a total of fifty buildings housing 631 apartments. The complex is located at 11601 4th Street North, St. Petersburg, Florida. Mr. Brad Miller, Vice President, filed the application on behalf of Lincoln Shores. The primary contact person is Ms. Janice F. Barnett, Lincoln Property Company.

Upon request and sufficient proof, the Commission will issue an order indicating the nonjurisdictional or exempt status of water or wastewater systems if they qualify under the appropriate provision of Chapter 367, Florida Statutes. The application was filed in accordance with Section 367.022(8), Florida Statutes, which states, in part, that "[a]ny person who resells water or wastewater service at a rate or charge which does not exceed the actual purchase price thereof," and who complies with certain reporting requirements, is exempt from Commission regulation.

According to the application, water and wastewater service is provided to Lincoln Shores by the City of St. Petersburg. Lincoln Shores is in the process of renovating the entire plumbing system of the complex. When the water distribution lines have been

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replaced and meters have been installed on the main cold water distribution line of each apartment, Lincoln Shores will be able to bill the tenants for total water used. Until renovation is complete, Lincoln Shores has requested to bill for water based on readings of meters placed on the cold water line into each apartment's hot water heater.

Lincoln Shore's property has two six-inch meters that serve the entire complex. The base facility charge is the flat amount charged for the meters by the City of St. Petersburg divided by the total number of apartments in the complex (\$598.60 divided by 631 apartments = \$0.95 base facility charge for water). The base facility charge for wastewater is \$1.04 (\$653.88 divided by 631 apartments). In order to establish a building-to-apartment water ratio and to calculate water consumption charges, two two-inch meters have been installed on two buildings with a different number of apartments in each (an eight-unit building and a seventeen-unit building). To insure that Lincoln Shores does not receive more revenues than it pays for water and wastewater service, prior to determining the appropriate charges, the total number of gallons used per building has been reduced by 10 percent.

As stated previously, meters have been installed on the cold water line into the hot water heaters in each apartment. The individual apartment meters and the building meters are read the same day. A percentage of the total metered hot water is calculated for each apartment by dividing the metered hot water used for each apartment by the total metered hot water gallons of the building. This percentage is then applied to the total gallons and all metered water for the building. Following are examples of the hot water billing method:

Building A is an 8-family building. Its master meter reads 33,334 gallons for the month, less 10 percent or 30,000 gallons. Individual apartment hot water meters read as follows:

Unit . Gallons Used divided by 7600 gallons = Percentage

1	600	8
2	700	9
3	800	11
4	900	12
5	1000	13
6	1100	14
7	1200	16
8	1300	17
Total	7600	100

The percentage ratio is then applied as follows:

<u>Unit</u>	<u>Percentage</u> of 30,000 gallons	= <u>Gallons</u>
1	8	2,400
2	9	2,700
3	11	3,300
4	12	3,600
5	13	3,900
6	14	4,200
7	16	4,800
8	17	5,100
Total	100	30,000

The City of St. Petersburg charges \$1.43 per 1,000 gallons of water usage and \$1.86 per 1,000 gallons of wastewater usage. The City also charges a ten percent utility tax on both the water base facility charge and consumption charges. The following is an example of a monthly bill for Unit 2:

Water Base Facility Charge	\$ 0.95
Water Consumption Charge (2,700 gallons at \$1.43 per 1,000 gallons)	3.86
Public Utility Tax (10 percent)	.48
Sewer Base Facility Charge	1.04
Sewer Consumption Charge (2,700 gallons at \$1.86 per 1,000 gallons)	<u>5.02</u>
TOTAL DUE	\$11.35

Lincoln Shores has contracted with Enviro-Check, Inc. to read meters monthly and bill the residents on its behalf. No administrative or processing fee will be charged to the residents. Lincoln Shores will pay all fees to Enviro-Check, Inc. Lincoln Shores will also be responsible for service to vacant apartments and common areas.

Lincoln Shores shall advise this Commission within 30 days of completion of the renovation and when meters have been installed on the main cold water lines into each apartment. At that time, Lincoln Shores shall begin billing residents based on meter readings of actual total water and wastewater used. Lincoln Shores shall also advise the Commission within 30 days of the change in the billing method.

Lincoln Shores is aware of the requirements of Rule 25-30.111, Florida Administrative Code, and the service area is limited to the

apartment complex located at 11601 4th Street North, St. Petersburg, Florida. In addition, pursuant to Section 837.06, Florida Statutes, and Rule 25-30.060(2)(f), Florida Administrative Code, anyone knowingly making a false statement in writing with the intent to mislead is guilty of a misdemeanor. By signing the application, Mr. Miller acknowledged that he is aware of Section 837.06, Florida Statutes, and the penalties for making false statements in the application.

Based on the facts as represented, we find that Lincoln Shores is exempt from Commission regulation as a reseller pursuant to Section 367.022(8), Florida Statutes. In the event of any change of circumstances or method of operation, the owner of Lincoln Shores or any successors in interest, must inform the Commission within 30 days of such change so its exempt status may be reevaluated.

It is, therefore,

ORDERED by the Florida Public Service Commission that, based upon the facts as represented, Lincoln Shores I & II, 14499 North Dale Mabry Highway, Suite 201, Tampa, Florida 33618, is hereby exempt from Commission regulation pursuant to the provisions of Section 367.022(8), Florida Statutes. It is further

ORDERED that Lincoln Shores I & II's request to bill residents using the hot water billing method set forth herein is granted on a temporary basis. It is further

ORDERED that upon completion of the renovation and installation of meters on the main cold water lines into each apartment, Lincoln Shores I & II shall begin billing customers based on meter readings of actual total water and wastewater used. It is further

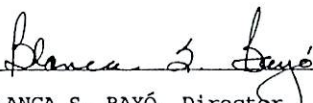
ORDERED that Lincoln Shores I & II shall notify the Commission within 30 days of completion of the renovation and the change in the billing method. It is further

ORDERED that should there be any other change in circumstances or method of operation in the future, the owner of Lincoln Shores I & II or any successors in interest shall inform this Commission within 30 days of such a change so that we may reevaluate its exempt status. It is further

ORDERED that Docket No. 950280-WS is hereby closed.



By ORDER of the Florida Public Service Commission, this 7th day of August, 1995.

  
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BLANCA S. BAYÓ, Director  
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.