

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for) DOCKET NO. 930204-WS
Amendment of Certificates Nos.) ORDER NO. PSC-93-1480-FOF-WS
236-W and 179-S and for a) ISSUED: 10-11-93
Limited Proceeding to Adjust)
Rates in St. Johns County by)
JACKSONVILLE SUBURBAN UTILITIES)
CORPORATION.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

FINAL ORDER GRANTING CERTIFICATE
AND
PROPOSED AGENCY ACTION
ORDER APPROVING JSUC'S RATES AND CHARGES

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein approving Jacksonville Suburban Utilities Corporation's request to use its rates and charges for the additional territory granted herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

On March 1, 1993, Jacksonville Suburban Utilities Corporation filed its application for amendment of Certificates Nos. 236-W and 179-S to include additional territory in St. Johns County currently served by Ponte Vedra Utilities (Ponte Vedra) and for a limited proceeding to adjust rates in St. Johns County. Previously in a similar docket, by Order No. 24335, issued April 8, 1991, the Commission found JSUC's combination of functionally related facilities and land to be a utility system whose service transverses county boundaries. Because of this relationship the Commission found that "the water and wastewater services of Jacksonville Suburban Utilities Corporation (JSUC) [in] St. Johns

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County are subject to the exclusive jurisdiction of this Commission." Further, the Order stated that "[e]xclusive jurisdiction resides within this Commission pursuant to Section 367.171(7) to regulate JSUC's water and wastewater services in St. Johns, Duval and Nassau Counties."

JSUC is a Class A utility providing services to approximately 24,000 water and 19,000 wastewater customers in Duval, Nassau and St. Johns County. The utility's 1992 consolidated annual report shows \$16,591,617 as annual revenue for water and wastewater and net operating income of \$4,972,073.

Ponte Vedra provides service to approximately 1,636 water and 721 wastewater customers in St. Johns County. Ponte Vedra's 1992 annual report as filed with St. Johns County shows \$815,711 as annual revenue for water and wastewater and an operating loss of \$75.00

An objection to the application was filed by the Ponte Vedra Community Association (PVHA) but was withdrawn after a meeting with representatives from JSUC. However, the PVHA retained the right to object to any proposed agency action order in regards to rates, rate base or an acquisition adjustment. A protest to the proposed rates reflected in the notice of application was received from the President of L'Atrium Homeowners Association (L'Atrium). L'Atrium has also withdrawn its protest subject to the proposed agency action order on rates.

On July 28, 1993, a customer meeting was held in Ponte Vedra, Florida, regarding the proposed transfer and limited proceeding. There were approximately 50 people in attendance. Eight customers of the utility, St. Johns County Commissioner Linda Balsavage, and Philip Heil, Vice President of JSUC, made sworn presentations. The customers in attendance did not object to the application for amendment filed by JSUC; however, several expressed concern over the change in rates and rate structure and one customer spoke in opposition to a positive acquisition adjustment in setting rate base. St. Johns County Commissioner Balsavage addressed the use of treated effluent as a means of irrigation for the golf course. The utility representative explained that the sewage flows from the sewage treatment plant are not presently sufficient; however, JSUC contemplates the use of spray irrigation on the golf course once capacity is available.

APPLICATION

JSUC's application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificates and an application for a limited proceeding. The application contains a fee of \$6,000, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code, for an amendment and a limited proceeding. A description of the territory requested by the utility is appended to this Order as Attachment A.

The applicant will provide evidence that the utility owns the land upon which the utility's facilities are located as required by Rule 25-30.037 (1) (o), Florida Administrative Code. Because the sale has not been consummated, the utility land is in the name of the selling utility, Ponte Vedra Utilities. The contract for sale provides that the land will be transferred to JSUC upon closing. JSUC shall provide evidence within sixty days of closing on the sale that ownership of the utility's land was transferred to JSUC.

In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code, including notice to the customers of the system to be transferred. As mentioned previously, there are no protests to the transfer of Ponte Vedra to JSUC, but to a potential positive acquisition adjustment and to the proposed change in rate structure.

Since 1974, JSUC has demonstrated its technical and financial ability to continue to provide quality utility service in its certificated territory. Further, JSUC has been operating Ponte Vedra's facilities pursuant to an Operations and Management Agreement entered into on December 19, 1991. In the proposed application, General Waterworks Corporation intends to purchase the assets of Ponte Vedra and transfer them to JSUC. The purchased assets will be transferred to JSUC as a contribution to the capital of JSUC. JSUC will subsequently provide whatever funding that is or becomes necessary to maintain or upgrade the systems it owns. JSUC's financial statement for the year ended December 31, 1992, reveals that the utility has \$48,906,180 in equity. JSUC asserts that the approval of this application will not cause JSUC to exceed its last authorized rate of return.

Our staff has contacted the Department of Environmental Regulation and learned that the outstanding notices of violation issued against Ponte Vedra's water and wastewater plants have been corrected by JSUC.

Based on the above information, we believe it is in the public interest to grant the application of Jacksonville Suburban Utilities Corporation for amendment of Certificates Nos. 236-W and 179-S to incorporate the system currently owned by Ponte Vedra Utilities. Accordingly, we hereby amend Certificates Nos. 236-W and 179-S to serve the territory described in Attachment A. The utility has filed revised tariff sheets which reflect the amended territory description.

IMPLEMENTATION OF JSUC'S CURRENT RATES AND CHARGES

JSUC's approved rates and charges were effective July 2, 1993 pursuant to an administratively approved price index for 1992 and a pass through of ad valorem taxes.

Rule 25-9.044 (1), Florida Administrative Code, provides that:

In cases of change of ownership or control of a utility which places the operation under a different or new utility...the company which will thereafter operate the utility business must adopt and use the rates, classification and regulations of the former operating company (unless authorized to change by the Commission)...

Utilizing the limited proceeding process, JSUC has requested that the rates of Ponte Vedra be changed to those approved for the other systems it owns. A comparison of the rates and charges of Ponte Vedra and JSUC is provided in Schedule No. 1. Please note the Residential Rates are shown on a quarterly basis and the General Service Rates are shown on a monthly basis. As can be seen from the attached Schedule, the rate structures of the two utilities are somewhat different. Ponte Vedra's rate structures employ minimum gallonage allowances for water service and flat rate charges for single family residential wastewater service. JSUC employs the base facility charge rate structure for both water and wastewater systems. Under this rate structure, the customer pays a fixed base charge designed to recover the fixed costs incurred irrespective of

variations of usage. The gallonage charge component captures the costs that fluctuate with variations in demand. Under the base facility charge rate structure, the charge for wastewater service is based on water consumption, with a cap of 10,000 gallons per month (or 30,000 gallons per quarter). Because of the different rate structures, a residential bill comparison at 9,000 and 30,000 gallons per quarter is included for informational purposes.

Residential
Quarterly Water Bill Comparison
at 9,000 Gallons

<u>Meter Size</u>	<u>Ponte Vedra</u>	<u>JSUC</u>
5/8" x 3/4	\$38.80	\$22.33
1"	45.26	38.92
1 1/2"	51.73	77.60
2"	73.60	143.95

Residential
Quarterly Water Bill Comparison
at 30,000 Gallons

<u>Meter Size</u>	<u>Ponte Vedra</u>	<u>JSUC</u>
5/8" x 3/4	\$50.46	\$42.28
1"	56.92	58.87
1 1/2"	63.39	97.55
2"	85.26	163.90

Residential
Quarterly Wastewater Bill Comparison
at 9,000 Gallons

<u>Meter Size</u>	<u>Ponte Vedra</u>	<u>JSUC</u>
All meter sizes	\$62.90	\$51.77

Residential
Quarterly Wastewater Bill Comparison
at 30,000 Gallons

<u>Meter Size</u>	<u>Ponte Vedra</u>	<u>JSUC</u>
All meter sizes	\$62.90	\$111.01

Several customers at the customer meeting spoke in opposition to the implementation of JSUC's rates. One customer spoke against the wastewater bill being based on water consumption. He expressed concern that this was unfair because most of the water he uses is for lawn irrigation and does not return to the wastewater system. The other customers speaking in opposition were customers with larger meters which would realize an increase under the JSUC rates. Our Staff addressed some of these concerns explaining that not all water used for irrigation is being included in the wastewater charge because of the wastewater gallonage cap. In addition, our Staff suggested that any customer who uses large amounts of water for lawn irrigation might want to consider a separate irrigation meter that would not be used to compute the wastewater charge.

We have long set rates for water and wastewater utilities using the base facility charge rate structure employed by JSUC. This type of structure has been found to be fair, reasonable and non-discriminatory in that the customer pays only for the gallons of water used rather than for a minimum number of gallons included in the framework of a minimum charge. For those customers who practice conservation, this structure will afford them an opportunity to be compensated in the form of savings for their conservation efforts. Basing the charge for wastewater service on water consumption has likewise been found to be fair and non-discriminatory, especially since there is a cap on the amount of water used to determine the wastewater charge. A flat wastewater rate is discriminatory to smaller households which do not put as much demand on the wastewater plant as larger families.

For informational purposes, Schedule No. 2 shows a comparison of revenue for the 12 month period ending September 30, 1992 at the Ponte Vedra and JSUC rates using actual consumption of Ponte Vedra customers. As this schedule shows, water and wastewater revenue as a whole would increase by 3% and 15%, respectively, under the JSUC

rates. The residential customers with standard 5/8" x 3/4" meters would pay less in water revenue as a class under the JSUC rates, while paying more in wastewater revenue.

In support of its request to implement its uniform rates in this service area, JSUC stated that the application of uniform rates will result in JSUC having uniform, nonpreferential rates for all of its customers. Such uniformity may result in cost savings due to a reduction in accounting, data processing and administrative expenses. JSUC operates 11 water and 9 wastewater utility systems that are separate and distinct from each other. From an operational standpoint, JSUC states that operating Ponte Vedra's systems would not be any different for JSUC than operating its other utility systems. We agree that there is really no difference between Ponte Vedra's utility systems and other separate and distinct systems operated by JSUC. Further, since the current rates of Ponte Vedra were neither the subject of close scrutiny in a rate case before this Commission, nor do they utilize the base facility charge rate structure, we do not believe they have been shown to be any more reasonable for this system than the JSUC rates. The use of a uniform set of rates for JSUC is consistent with JSUC's operation of its water and wastewater facilities as a single utility system. Therefore, we approve the implementation of JSUC's uniform rates in the Ponte Vedra service area.

Since JSUC's proposed service availability charges are substantially lower than those of Ponte Vedra we find that JSUC's service availability charges are reasonable and shall be applicable. JSUC's meter installation and plant capacity charges for future customers connecting to the Ponte Vedra water and wastewater systems are approved.

Ponte Vedra does not collect customer deposits for general service or residential customers. JSUC does not collect customer deposits for residential customers; however, it wishes to implement its customer deposit for general service customers. The deposit requested for all meter sizes will be based on a two months average bill. Since this methodology is consistent with Rule 25-30.311 (7), Florida Administrative Code, JSUC shall be allowed to collect a customer deposit from its general service customers. The utility has filed the appropriate tariff sheets. Our Staff will approve the tariff filing effective for services provided or connections made after the stamped approval date.

ORDER NO. PSC-93-1480-FOF-WS
DOCKET NO. 930204-WS
PAGE 8

The effective date of the monthly rates and charges shall be thirty days from the effective date of the PAA order or from the closing of the sale, whichever occurs later.

Normally, if there was no timely protest to the proposed agency action as to implementation of JSUC's rates and charges, this docket would be closed. However, since we have deferred issues regarding the rate base and a request for a positive acquisition adjustment pending more information, this docket shall remain open until the remaining issues are decided.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Jacksonville Suburban Utilities Corporation's application for amendment of its certificates to add the additional territory described in Attachment A is hereby approved. JSUC shall provide evidence within sixty days of closing on the sale that ownership of the utility's land was transferred to JSUC. It is further

ORDERED that Jacksonville Suburban Utilities Corporation's application for a limited proceeding to implement its rates and charges for the customers of Ponte Vedra is hereby approved. The effective date should be thirty days from the effective date of this Order or from the closing of the sale, whichever occurs later. It is further

ORDERED that our action approving Jacksonville Suburban Utilities Corporation's request to use rates and charges for the additional territory granted herein is preliminary in nature and will become final unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDER NO. PSC-93-1480-FOF-WS
DOCKET NO. 930204-WS
PAGE 9

ORDERED that this docket shall remain open to dispose of outstanding issues as described in the body of this Order.

By ORDER of the Florida Public Service Commission this 11th day of November, 1993.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

SLE

by: Kay Flynn
Chief, Bureau of Records

Chairman Deason dissented from the Commission's decision to acknowledge its jurisdiction over Jacksonville Suburban Utilities Corporation's facilities in St. Johns, Nassau and Duval Counties.

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.

As identified in the body of this order, our action approving Jacksonville Suburban Utilities Corporation's request to use its rates and charges for the additional territory granted herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on November 1, 1993. In the absence of such a petition, this order shall become effective on the date subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If the relevant portion of this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water 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 of the effective date 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.

ORDER NO. PSC-93-1480-FOF-WS
DOCKET NO. 930204-WS
PAGE 11

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 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 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.

Description for Jacksonville Suburban Utilities Corporation
(Previously Ponte Vedra Utility Company)

St. Johns County

Service Territory Description

Township 3 South, Range 29 East, St. Johns County, Florida:

All of Section 15, bounded on the East by the Atlantic Ocean;

All of Section 16, lying East of State Road A-1-A;

All of Government Lot 16, Section 16, lying West of State Road A-1-A;

All of Section 21, lying East of State Road A-1-A;

Government Lot 1, Section 21, lying West of State Road A-1-A;

All of Section 22, lying East of A-1-A, and bounded on the East by the Atlantic Ocean;

All of Section 27, lying East of State Road A-1-A and bounded on the East by the Atlantic Ocean;

Part of Sections 34 and 35, lying South of Section 45 and bounded on the East by the Atlantic Ocean and being more particularly described as follows: Begin at the corner common to Sections 34, 43, 44, and 45 of said Township and Range; thence Southerly along the line dividing said Sections 34 and 43, a distance of 391 feet, more or less to the Southeast corner of that portion of Section 43, lying South of said Section 44; thence South 5°04'37" East, 91.18 feet to a point in the Westerly prolongation of the Northerly boundary of Lot 8, Block 2-S, as shown on the Map of Ponte Vedra, as recorded in Map Book 10, Page 1 of the Public Records of said County, thence North 76°13'23" East, along said Westerly prolongation, a distance of

Description for Jacksonville Suburban Utilities Corporation

(Previously Ponte Vedra Utility Company)

St. Johns County

Service Territory Description

354.88 feet; thence South $11^{\circ}12'23''$ West, 104.29 feet; thence South $12^{\circ}25'19''$ East, and parallel with the Westerly right of way line of Ponte Vedra Boulevard (County Road No. 203, a 66 foot right of way) and a Southerly prolongation thereof, 776.81 feet, more or less; thence North $76^{\circ}13'23''$ East, 411.15 feet, more or less, to an intersection with said Southerly prolongation of the Westerly right of way line of said Ponte Vedra Boulevard; thence South $12^{\circ}25'19''$ East, along said Southerly prolongation, 743.33 feet, more or less to a point on the Westerly prolongation of the Southerly boundary of Lot 1, Block 2-S, as shown on said Map of Ponte Vedra; thence Easterly along said Westerly prolongation and along said Southerly boundary, 400 feet, more or less, to the shore line of the Atlantic Ocean; thence Northerly along said shore line of the Atlantic Ocean, following the meanderings thereof, 2,275 feet, more or less to an intersection with the line dividing said Sections 35 and 45; thence Westerly along said line dividing Sections 35 and 45, a distance of 1,040 feet, more of less to the point of beginning;

All of Section 43, lying South of Section 44, except the following described parcel of land: Commence at the corner common to Sections 27, 43, 44, and 46, of said Township and Range; thence South $15^{\circ}37'30''$ East, along the line dividing said Sections 44 and 46, a distance of 3,322 feet, more or less, to the corner common to Sections 34, 43, 44, and 46 of said Township and Range, said corner being the point of beginning; thence continue South $15^{\circ}37'30''$ East, along the line dividing said Sections 34 and 43, a distance of 228 feet, more or less, to the Southwest corner of that portion of said Section 43 lying South of said Section 44; thence North $84^{\circ}22'55''$ East, along the Southerly line of said portion of Section 43, aforementioned, 142,16 feet; thence North $15^{\circ}37'30''$ West, and parallel

Description for Jacksonville Suburban Utilities Corporation

(Previously Ponte Vedra Utility Company)

St. Johns County

Service Territory Description

with said line dividing Sections 34 and 43, a distance of 248 feet, more or less to a point in the line dividing said Sections 43 and 44; thence Westerly along said line dividing Sections 43 and 44, a distance of 140 feet, more or less, to the point of beginning;

All of Section 43, lying North of Section 44;

All of Section 44, lying North of Sections 34 and 43, except the following described parcel of land: Commence at the corner common to Sections 27, 43, 44, and 46, of said Township and Range, thence South 15°37'30" East, along the line dividing said Sections 44 and 46, a distance of 2305.97 feet to a point for the point of beginning; thence continue South 15°37'30" East along said line dividing Sections 44 and 46, a distance of 1016 feet, more or less to the corner common to Section 34, 43, 44, and 46, of said Township and Range; thence Easterly along the line dividing said Sections 43 and 44, a distance of 140 feet, more or less; thence North 15°37'30" West, and parallel with said line dividing Sections 44 and 46, a distance of 996 feet, more or less; thence South 84°22'30" West, 142.16 feet to the point of beginning;

All of Section 45, bounded on the East by the Atlantic Ocean;

All of Section 46, being East of State Road A-1-A, except that portion known as the Fountains, a Condominium, described as follows: For point of reference, commence at P.I. Station 234 + 22.92, as established on the Easterly right of way line of State Road No. A-1-A, as shown on D.O.T. right of way maps, Section 78001-2503, and run South 3°14'00" East, a distance of 521.40 feet to the point of beginning; thence departing from said right of way, and along the

Description for Jacksonville Suburban Utilities Corporation

(Previously Ponte Vedra Utility Company)

St. Johns County

Service Territory Description

Southerly line of Ponte Vedra Beach Village, North 83°30'30" East, a distance of 1,220 feet, more or less, to the Westerly line of Section 43; run thence Southerly, along said Westerly line, a distance of 645 feet, more or less, to the Northerly right of way line of the L'Atrium; run thence along said Northerly line, South 83°30'30" West, a distance of 1,360 feet, more or less, to the Easterly line of said State Road A-1-A; run thence North 3°14'00" West, along said Easterly line, a distance 630 feet, more or less, to the point of beginning, AND ALSO EXCEPTING FROM SECTION 46, THE FOLLOWING DESCRIBED PARCEL OF LAND: Commence at the corner common to Sections 27, 43, 44, and 46, of said Township and Range; thence South 15°37'30" East, along the line dividing said Sections 44 and 46, a distance of 2,303.28 feet to a point for the point of beginning; thence continue South 15°37'30" East along said line dividing Sections 44 and 46, a distance of 1,018.71 feet, more or less, to the corner common to Section 34, 43, 44, and 46, of said Township and Range; thence Westerly along the line dividing said Sections 34 and 46, a distance of 1,955 feet, more or less, to the corner common to Sections 34, 42, 46, 47, 51, and 52 of said Township and Range; thence South 83°30'30" West, 23.25 feet to a point of intersection with the Easterly right of way line of State Road A-1-A (a 200 foot right of way, as now established); thence North 0°40'10" East, along the Easterly right of way line of said State Road A-1-A, 1,240.59 feet; thence North 83°30'30" East, 1,616.69 feet to the point of beginning.

Township 5 South, Range 29 East, St. Johns County, Florida:

Southerly portion of Government Lot 2, Section 12,
lying East of State Road A-1-A;

Description for Jacksonville Suburban Utilities Corporation
(Previously Ponte Vedra Utility Company)

St. Johns County

Service Territory Description

All of Government Lots 1 and 4, Section 13, lying East of State Road A-1-A;

All of Government Lot 1, Section 24, lying East of State Road A-1-A.

Township 5 South, Range 30 East, St. Johns County, Florida:

All of Section 19, lying East of State Road A-1-A;

All of Section 30, lying East of State Road A-1-A, and including the north water plant described as follows: For point of reference, commence at the Northwesterly corner of Lot 30, as established on the Easterly right of way line of State Road A-1-A, as said lot is recorded in Plat of South Ponte Vedra Beach, Block C, Map Book 6, Page 30, St. Johns County, and run thence South $10^{\circ}04'00''$ East, along said Easterly right of way, a distance of 16.60 feet; run thence South $79^{\circ}56'00''$ West, a distance of 100.00 feet to the Westerly right of way line of said road and the point of beginning of the land to be described; thence continue South $79^{\circ}56'00''$ West, a distance of 56.00 feet; run thence North $10^{\circ}04'00''$ West, a distance of 52.00 feet; run thence North $79^{\circ}56'00''$ East, a distance of 56.00 feet to the Westerly right of way of said State Road A-1-A; run thence South $10^{\circ}04'00''$ East, along said right of way, a distance of 52.00 feet to the point of beginning;

All of Section 31, lying East of State Road A-1-A.

Township 6 South, Range 30 East, St. Johns County, Florida:

All of Government Lots 1 and 2, Section 6, lying East of State Road A-1-A, together with the south water

Description for Jacksonville Suburban Utilities Corporation

(Previously Ponte Vedra Utility Company)

St. Johns County

Service Territory Description

plant described as follows: For point of reference, commence at the Northwesterly corner of Lot 3, South Ponte Vedra Beach, Block 2, Map Book 6, Page 25, St. Johns County, as established on the Easterly right of way of State Road A-1-A, and run South 77°29'20" West, a distance of 100.00 feet to the Westerly line of said State Road A-1-A; thence North 12°30'40" West, a distance of 3.00 feet; thence departing from said Westerly right of way, South 77°29'09" West, a distance of 100.00 feet; run thence North 12°30'40" West, a distance of 11.00 feet to the point of beginning; run thence South 12°30'40" West, a distance of 55.00 feet; run thence South 77°29'20" West, a distance of 42.00 feet; run thence North 12°30'40" West, a distance of 55.00 feet; run thence North 77°29'20" East, a distance of 42.00 feet to the point of beginning. Subject to a 44-foot easement for access and utilities running between said south water plant and State Road A-1-A, as recorded in Official Records 340, Page 535, Public Records of St. Johns County;

All of Government Lots 1 and 2, Section 7, lying East of State Road A-1-A.

COMPARISON OF RATES AND CHARGES OF
PONTE VEDRA UTILITIES AND JSUC

Residential
Quarterly Water Rates

<u>Meter Size</u>	<u>Ponte Vedra</u> <u>Minimum Charge</u> <u>Including 15,000</u> <u>Gallonage Allowance</u>	<u>JSUC Base</u> <u>Facility Charge</u>
5/8" x 3/4	\$37.13	\$ 13.78
3/4"	N/A	19.32
1"	43.31	30.37
1 1/2"	49.50	69.05
2"	70.43	135.40
Gallonage Charge Per 1,000 Gallons	.744	.95

Residential
Quarterly Wastewater Rates

<u>Meter Size</u>	<u>Ponte Vedra</u> <u>Gallonage Allowance</u>	<u>JSUC Base</u> <u>Facility Charge</u>
All meter sizes	\$60.19 Flat Rate	\$ 26.21
Gallonage Charge Per 1,000 gallons, with a cap of 30,000 gallons/quarter		2.84

1 Customers of Ponte Vedra are charged a 4.5% regulatory assessment fee for St. Johns County in addition to the above rates.

2 For gallons in excess of gallonage allowance.

General Service
Monthly Water Rates

<u>Meter Size</u>	<u>Ponte Vedra</u>		<u>JSUC Base Facility Charge</u>
	<u>Minimum Charge</u>	<u>Gallonge Allowance</u>	
5/8" x 3/4"	\$12.38	5,000	\$ 6.40
3/4"	N/A	N/A	8.25
1"	14.44	5,000	11.93
1 1/2"	16.50	5,000	24.84
2"	29.34	5,000	46.95
3"	55.02	16,000	124.34
4"	91.70	30,000	319.71
6"	183.41	50,000	360.25
8"	293.46	100,000	4,013.03
10"	513.55	160,000	N/A
Gallonge Charge per 1,000 gallons	.827		.95

General Service
Monthly Wastewater Rates

<u>Meter Size</u>	<u>Ponte Vedra</u>		<u>JSUC Base Facility Charge</u>
	<u>Minimum Charge</u>	<u>Gallonge Allowance</u>	
5/8" x 3/4"	\$50.98	5,000	\$ 9.95
3/4"	N/A	N/A	13.78
1"	59.47	5,000	22.14
1 1/2"	67.97	5,000	50.57
2"	96.70	5,000	99.30
3"	181.34	16,000	269.93
4"	302.21	30,000	700.46
6"	604.42	50,000	789.83
8"	967.07	100,000	8,840.49
10"	1,692.37	160,000	N/A
Gallonge Charge per 1,000 gallons	2.73		2.84

Notes:

- 1 Customers of Ponte Vedra are charged a 4.5% regulatory assessment fee for St. Johns County in addition to the above rates.
- 2 For gallons in excess of gallonage allowance.
- 3 Ponte Vedra's standard quarterly minimum charge and gallonage allowance have been converted to monthly charges and allowances for comparison purposes.

Miscellaneous Charges

Ponte Vedra:

Reconnection Charge - \$10.00 regular working hours
- \$15.00 after regular
working hours

JSUC:

Violation reconnection fee - \$15.00/water
Violation reconnection fee - Actual Cost/wastewater
Initial connection - \$15.00
Normal reconnection - \$15.00
Premises visit fee - \$10.00

Customer Deposits

Ponte Vedra: None

JSUC: Residential - None
General Service - Two months average bills for
all meter sizes.

Service Availability Charges

<u>Meter Size</u>	<u>Ponte Vedra Meter Installation Fee and Tap-In Fee</u>	<u>JSUC Meter Installation Fee</u>
5/8" x 3/4"	\$175.00	\$125.00
1"	245.00	150.00
1 1/2"	368.00	235.00
2"	567.00	357.00
over 2"	Actual Cost	Actual Cost

Customer Connection (Tap-In) Charge

JSUC:

1" metered service (shortside)	- Actual Cost
1" metered service (longside)	- Actual Cost
2" and over metered service	- Actual Cost

Plant Capacity Charge

Water

<u>Ponte Vedra</u>		<u>JSUC</u>
Residential	\$200.00	\$100.00
All others per gallon	.57	.29

Wastewater

<u>Ponte Vedra</u>		<u>JSUC</u>
Residential	\$1,200.00	\$210.00
All other per gallon	4.29	.60

Tax Impact of CIAC

Ponte Vedra - Actual Cost
 JSUC - None

ORDER NO. PSC-93-1480-FOF-WS
 DOCKET NO. 930204-WS
 PAGE 22

Schedule No. 2
 Page 1 of 2

POHTEVEDRA UTILITIES
 BILL ANALYSIS YEAR ENDING SEPTEMBER 30, 1992
 BASED ON JSUC RATES (EFFECTIVE JUL 2, 1993)

WATER	CUST	RATE	REY	TOT GAL	MIX GAL	BILL GAL	RATE	REY	TOT REY	REG TOT REY	TOT REY	DIFF	PERCENT	
														PYR
RESIDENTIAL 5/8 "	3,833	13.78	\$41,795	87,357	0	87,357	0.95	\$82,989	\$124,784	\$0	\$124,784	\$156,875	(\$31,291)	-20.85%
RESIDENTIAL 3/4 "	942	19.32	\$18,199	24,810	0	24,810	0.95	\$22,810	\$41,009	\$0	\$41,009	\$47,344	(\$6,335)	-13.38%
RESIDENTIAL 1 "	1,644	30.37	\$49,928	65,860	0	65,860	0.95	\$62,510	\$112,438	\$0	\$112,438	\$188,663	\$3,775	3.47%
RESIDENTIAL 1 1/2 "	86	69.85	\$5,938	7,280	0	7,280	0.95	\$6,810	\$12,778	\$0	\$12,778	\$9,232	\$3,546	38.41%
RESIDENTIAL 2 "	5	135.4	\$677	326	0	326	0.95	\$310	\$987	\$0	\$987	\$563	\$424	75.26%
COMMERCIAL 5/8 "	40	19.2	\$768	2,553	0	2,553	0.95	\$2,425	\$3,193	\$0	\$3,193	\$3,371	(\$178)	-5.27%
COMMERCIAL 3/4 "	12	24.75	\$297	192	0	192	0.95	\$182	\$479	\$0	\$479	\$528	(\$49)	-9.28%
COMMERCIAL 1 "	112	35.79	\$4,008	9,575	0	9,575	0.95	\$9,056	\$13,105	\$0	\$13,105	\$12,816	\$1,089	9.86%
PUBLIC 1 "	4	35.79	\$143	43	0	43	0.95	\$41	\$184	\$0	\$184	\$181	\$3	1.66%
COMMERCIAL 1 1/2 "	135	74.52	\$10,060	32,606	0	32,606	0.95	\$30,976	\$41,036	\$0	\$41,036	\$33,572	\$7,464	22.23%
RES. APTS 1 1/2 "	76	74.52	\$5,664	3,608	0	3,608	0.95	\$3,428	\$9,891	\$0	\$9,891	\$6,868	\$3,023	49.81%
COMMERCIAL 2 "	122	140.85	\$17,184	58,787	0	58,787	0.95	\$55,848	\$73,031	\$0	\$73,031	\$68,523	\$12,588	28.67%
RES. APTS 2 "	116	140.85	\$16,339	14,807	0	14,807	0.95	\$13,307	\$29,645	\$0	\$29,645	\$21,294	\$8,351	39.22%
COMMERCIAL 3 "	16	373.02	\$5,968	3,372	0	3,372	0.95	\$3,203	\$9,172	\$0	\$9,172	\$5,868	\$4,112	81.26%
COMMERCIAL 4 "	8	959.13	\$7,673	8,722	0	8,722	0.95	\$8,286	\$15,959	\$0	\$15,959	\$9,215	\$6,744	73.18%
RES. APTS 4 "	4	959.13	\$3,837	224	0	224	0.95	\$213	\$4,849	\$0	\$4,849	\$1,199	\$2,850	237.72%
TOTALS	6,355		\$188,478	318,382	0	318,382		\$302,463	\$458,941	\$0	\$458,941	\$474,984	\$16,837	3.28%

ORDER NO. PSC-93-1480-FOF-WS
 DOCKET NO. 930204-WS
 PAGE 23

Schedule No. 2
 Page 2 of 2

PATVEDRA UTILITIES
 BILL ANALYSIS YEAR ENDING SEPTEMBER 30, 1992
 BASED ON USUC RATES (EFFECTIVE JUL 2, 1993)

SEWER	CUST	RATE	REV	TOT GAL	MIX GAL	BILL GAL	RATE	REV	TOT REV	REG FEE	TOT REV	TOT REV	DIFF	PERCENT
		PER QTR									(PYB)			
RESIDENTIAL 5/8 "	2,116	26.21	\$55,168	56,866	17,281	39,665	2.84	\$112,649	\$168,109	\$0	\$168,109	\$133,893	\$35,316	26.31%
RESIDENTIAL 3/4 "	8	26.21	\$210	287	45	162	2.84	\$468	\$678	\$0	\$678	\$583	\$167	29.18%
RESIDENTIAL 1 "	368	26.21	\$9,436	9,453	2,224	7,229	2.84	\$28,538	\$29,966	\$0	\$29,966	\$22,643	\$7,322	32.34%
RESIDENTIAL 1 1/2 "	12	26.21	\$315	278	4	274	2.84	\$778	\$1,893	\$0	\$1,893	\$755	\$338	44.77%
COMMERCIAL 5/8 "	16	29.85	\$478	174	8	174	2.84	\$494	\$972	\$0	\$972	\$2,637	(\$1,665)	-63.15%
COMMERCIAL 1 "	48	66.42	\$2,657	1,978		1,978	2.84	\$5,595	\$8,252	\$0	\$8,252	\$11,626	(\$3,374)	-29.82%
PUBLIC 1 "	4	66.42	\$266	43	8	43	2.84	\$122	\$388	\$0	\$388	\$746	(\$358)	-48.00%
COMMERCIAL 1 1/2 "	36	151.71	\$5,462	5,822	8	5,822	2.84	\$14,262	\$19,724	\$0	\$19,724	\$28,515	(\$791)	-3.86%
RES. APTS 1 1/2 "	76	151.71	\$11,538	3,688	8	3,688	2.84	\$18,217	\$21,777	\$0	\$21,777	\$23,248	(\$1,471)	-6.73%
COMMERCIAL 2 "	48	297.9	\$14,299	22,424	8	22,424	2.84	\$63,684	\$77,983	\$0	\$77,983	\$76,469	\$1,514	1.98%
RES. APTS 2 "	116	297.9	\$34,556	14,887	8	14,887	2.84	\$39,788	\$74,336	\$0	\$74,336	\$78,238	\$4,899	5.34%
COMMERCIAL 3 "	16	889.79	\$12,957	3,372	8	3,372	2.84	\$9,576	\$22,533	\$0	\$22,533	\$16,688	\$5,846	35.83%
COMMERCIAL 4 "	8	2181.38	\$16,811	8,722	8	8,722	2.84	\$24,778	\$41,582	\$0	\$41,582	\$38,488	\$11,174	26.75%
RES. APTS 4 "	4	2181.38	\$8,486	224	8	224	2.84	\$636	\$9,842	\$0	\$9,842	\$3,952	\$5,889	128.77%
TOTALS	2,868		\$172,841	126,378	19,474	106,896		\$383,585	\$476,425	\$0	\$476,425	\$413,521	\$62,905	15.21%