

MEMORANDUM

June 6, 1996

**TO: ALICE CROSBY, DIVISION OF LEGAL SERVICES
DIVISION OF RECORDS AND REPORTING**

FROM: CHRISTINE TOMLINSON, DIVISION OF WATER AND WASTEWATER *CTM*

**RE: DOCKET NO. 960481-WS; REQUEST FOR EXEMPTION FROM FLORIDA
PUBLIC SERVICE COMMISSION REGULATION FOR PROVISION OF
WATER AND WASTEWATER SERVICE IN ORANGE COUNTY BY
OAKRIDGE VILLAGE MOBILE HOME PARK.**

On April 15, 1996, this Commission received an application from Oakridge Village Mobile Home Park (Oakridge or utility) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes for the water and wastewater system. The primary contact person for Oakridge is Terry West, operations manager of Oakridge. Mr. Terry West's address is 5517 21st Avenue West, Suite H, Bradenton, Florida 34209. The application was signed by Mr. Wayne C. Rickert, partner of Oakridge.

The application was filed in accordance with Section 367.022(8), Florida Statutes, and Rules 25-30.060(1), (2), and (3)(h), Florida Administrative Code. Included with the exemption application was a statement setting out statutory and factual basis for the exemption. The application acknowledged the requirements of Rule 25-30.111, Florida Administrative Code, regarding annual reporting requirements. The applicant also acknowledged the requirements of Section 367.122, Florida Statutes, which deals with the examination and testing of meters; and Rules 25-30.262 through 25-30.267, Florida Administrative Code which explains the responsibilities of the utility owner for insuring the accuracy of the meters.

Oakridge is a mobile home park, consisting of 184 units. Oakridge is located at 5945 Nomad Avenue, Orlando, Florida 32809. The mailing address for Oakridge is 5517 21st Avenue West, Suite H, Bradenton, Florida 34209. Oakridge plans to purchase water and wastewater service from Orlando Utilities Commission (OUC) and resell these services to the residents at a rate that does not exceed the actual price paid for the water and wastewater service.

Included with the application was a schedule of the utility's current rates and charges, an explanation of the reseller's proposed rates and charges, an explanation of the proposed method of billing customers for water and wastewater service, and a schedule showing the amount billed will not exceed the amount paid for water and wastewater. Oakridge will do the billing. The meters will be read monthly to determine the usage during the previous month and the residents will be billed accordingly. Residents will be billed for actual usage of water and wastewater service. Oakridge does not propose any

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miscellaneous/administrative charges or security deposits. Oakridge will be responsible for service to common areas. Oakridge does not propose to charge any additional administrative/processing fees to the residents. Furthermore, the applicant acknowledged Section 837.06, Florida Statutes, regarding false statements.

The OUC's rates and charges for water and wastewater service, on a monthly basis, are as follows:

WATER:

THE OUC CHARGES THEIR USERS FOR WATER SERVICE BASED UPON METER SIZE

Base charge (4" meter): \$26.15

Consumption charge per 1,000 gallons: \$0.878

WASTEWATER:

THE OUC CHARGES THEIR USERS FOR WASTEWATER SERVICE BASED UPON METER SIZE

Base charge (4" meter): \$288.18

Consumption charge per 1,000 gallons: \$3.18

Oakridge's proposed monthly rates and charges for water and wastewater service are as follows:

WATER:

Usage charge per gallon: \$0.000878 or \$0.878 per thousand

WASTEWATER:

Usage charge per gallon: \$0.003598 or \$3.598 per thousand

Individual customer usage of 3,000 gallons each month will produce a monthly bill from the OUC as follows:

WATER CHARGE:

Base charge: \$ 26.15
Consumption Charge (3 x \$0.878 X 184 units): \$ 483.92

TOTAL WATER \$ 510.07

WASTEWATER CHARGE:

Base charge: \$ 288.18
Consumption Charge (3 x \$3.18 x 184 units): \$1,755.36

TOTAL WASTEWATER \$2,043.54

TOTAL BILL \$2,553.61

Individual customer usage of 3,000 gallons will produce a monthly bill from Oakridge as follows:

WATER CHARGE:

Consumption Charge (3,000 x .000878) \$ 2.63

TOTAL WATER: \$ 2.63

WASTEWATER CHARGE:

Consumption Charge (3,000 x .003598) \$ 10.79

TOTAL WASTEWATER: \$ 10.79

TOTAL BILL \$ 13.42

NUMBER OF CUSTOMERS: x 184

TOTAL REVENUE COLLECTED: \$2,469.28

As previously stated Oakridge will be doing the billing. The individual meters will be read once a month.

In conclusion, Oakridge's rate or charge will not exceed the actual purchase price. According to Section 21.08(c)(14), Administrative Procedures Manual, staff has been given administrative authority to approve clear-cut or non-controversial requests for determination of exempt status. Staff recommends that an administrative order be issued as soon as possible finding Oakridge exempt from Commission regulation pursuant to Section 367.022(5) and (8), Florida Statutes. Staff further recommends that the order require

Oakridge to notify this Commission in the event of any change of circumstances or method of operation of its water and/or wastewater system. Furthermore, staff recommends that this docket be closed.

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