



Public Service Commission

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

DATE: July 17, 1996
TO: Division of Records and Reporting
 Division of Legal Services, Alice Crosby
FROM: Division of Water & Wastewater, J. Travis Coker *McCrosby*
RE: Docket No. 960310-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Duval County by St. Augustine Apartments.

On March 8, 1996, this Commission received an application from St. Augustine Apartments (St. Augustine or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Staff has determined that St. Augustine 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 exemption application was a statement from the agent of the system describing the statutory and factual basis for the exemption. The applicant stated that services are only to provide utility service as a nonprofit service. St. Augustine is owned and managed by Mid America Apartment Communities. Mr. Tim Stover, Vice President of Mid America Apartment Communities submitted a letter of authorization giving Mr. John S. Ranney legal authority to act on behalf of the apartment complex. Mr. Ranney, of Envirotech Utility Management Systems, signed the application on behalf of St. Augustine. 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.

St. Augustine has named the City of Jacksonville as the entity providing service to the apartment complex and has submitted that company's rates and charges. St. Augustine has contracted the services of Envirotech to install 400 individual meters. 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 Jacksonville. This demonstrates that the rates charged will not exceed the amount paid for water or wastewater by the reseller entity. St. Augustine states it does require a \$30.00 deposit and will notify this Commission of any change in this policy. St. Augustine 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: 11001 Old St. Augustine Road, Jacksonville, Florida, 32257.

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 FPSC-RECORDS/REPORTING

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

WATER RATES

Base Rate

<u>Meter Size</u>	
5/8"	\$ 8.45
3/4"	10.65
1.0"	15.20
1.5"	26.35
2.0"	39.70
3.0"	75.35
4.0"	115.35
6.0"	226.85
8.0"	360.35
10.0"	516.25
12.0"	961.60

Consumption Rate

0-15 ccf	per 100 cubic feet	\$ 0.58
16-30 ccf	per 100 cubic feet	\$ 0.73
30+ ccf	per 100 cubic feet	\$ 0.96

1 ccf = 100 cubic feet = 748 gallons

WASTEWATER RATES

Base Rate

<u>Meter Size</u>	
5/8"	\$ 3.40
3/4"	5.15
1.0"	8.55
1.5"	17.10
2.0"	27.30
3.0"	54.50
4.0"	85.15
6.0"	170.45
8.0"	272.60
10.0"	391.90
12.0"	732.55

Consumption Rate

per 100 cubic feet	\$ 2.90
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1 ccf = 100 cubic feet = 748 gallons

The City of Jacksonville also levies a 10.0% tax on water usage. These rates became effective May 1996.

St. Augustine has two 8.0" meters. The proposed rates for water and wastewater service for St. Augustine, charged monthly are as follows:

WATER RATES

Base Rate

(2) 8.0" Meters 2 x \$360.35 \$720.70 / 400 = \$ 1.80

Consumption Rate

per 100 cubic feet \$.68
1 ccf = 100 cubic feet = 748 gallons

WASTEWATER RATES

Base Rate

(2) 8.0" Meters 2 x \$272.60 \$545.20 / 400 = \$1.36

Consumption Rate

per 100 cubic feet \$ 2.81
1 ccf = 100 cubic feet = 748 gallons

The 400 units at St. Augustine will be billed for consumption based on these rates. An example of a St. Augustine tenant with 6 ccf (approx. 4,503 gallons) usage would be calculated as follows:

Base water charge	(\$1.94)	\$ 1.80
Water charges	(6 x .58)	\$ 3.48
Public Service Tax	(10% x 5.28)	\$.53
Base wastewater charge	(\$1.36)	\$ 1.36
Wastewater charges	(6 x 2.90)	<u>\$17.40</u>
	Total	\$24.57

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