



Public Service Commission

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

DATE: August 7, 1996  
TO: Division of Records and Reporting  
Division of Legal Services (Crosby)  
FROM: Division of Water & Wastewater (Walker) *MSR New JPM*  
RE: Docket No. ~~960221-WS~~; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Duval County by Woodbridge at the Lake Apts.

On February 22, 1996, this Commission received an application from Woodbridge at the Lake Apts. (Woodbridge or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Our review indicates that Woodbridge meets the requirements for status as an entity that resells water and wastewater service at a rate or charge that does not exceed the actual purchase price thereof, as provided in Section 367.022(8), Florida Statutes.

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.). Acting as the authorized agent for Mid America Apartment Communities (a corporation), Mr. John S. Ranney described why The Woodbridge at the Lake Apartments qualifies for reseller exemption. Woodbridge, the applicant for this proceeding, is an apartment community located in Duval County. The applicant intends to render service at or below cost. The application indicates that 188 individually metered apartments will be served.

The applicant, through its authorized agent, acknowledged being aware of the requirements of Rule 25-30.111, F.A.C., regarding submission of an annual report. Likewise, the applicant also acknowledged being aware of the requirements of Chapter 367.122, F.S., regarding examination and testing of meters, and Rules 25-30.262 through 25-30.267, F.A.C., regarding the utility owner's responsibility for insuring the accuracy of meters.

According to the application and supplemental information filed by Mr. Ranney, the City of Jacksonville Public Utilities will provide service to Woodbridge under the following terms: the initial base facility charge shall be \$226.05 for water service and \$163.50 for wastewater service, and the concurrent usage rates (per hundred cubic foot (CCF)) would be \$.63 and \$2.90, respectively. A 10% service tax is imposed on the water service portion of the bill. The reseller's proposed rates and billing method were also reported: dividing the seller's base facility charge equally among 188 apartment units, the reseller's proposed base charges are \$1.20 for water service and \$.87 for wastewater service. An exact duplication of the seller's gallonage rates was proposed: \$.63 for water service and \$2.90 for wastewater service.

Woodbridge will collect a \$30.00 refundable deposit. Residents will be billed monthly, miscellaneous fees will not be collected, and usage in common areas will not be charged to residents. Further, the applicant asserts that it will absorb the cost of the billing

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service. The service area is located at 4263 Losco Road, Jacksonville, Florida, 32257. As authorized agent for the applicant, Mr. John S. Ranney signed the application for reseller exemption and acknowledged that he was aware that pursuant to Section 837.06, Florida Statutes, penalties may be imposed for false statements.

A sample billing for a typical resident in the Woodbridge at the Lake Apts. complex, assuming 6 CCF used:

Base water charge	(\$1.20)	\$ 1.20
Water charges	(6 CCF x \$.63)	\$ 3.78
10% Tax on Water		\$ 0.50
Base wastewater charge	(\$0.87)	\$ 0.87
Wastewater charges	(6 CCF x \$2.90)	<u>\$17.40</u>
	Total	\$23.75

In summary, staff has determined that Woodbridge at the Lake Apts. 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 that declares that Woodbridge is exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff further recommends that the order require Woodbridge to notify this Commission in the event of any change of circumstances or method of operation of its water and wastewater systems. Furthermore, staff recommends that this docket be closed.

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